

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

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VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

CORPORATE INFORMATION

Business registration certificate

No. 0103018458 dated 23 July 2007 which was initially issued by the Ministry of Transport.

Enterprise registration certificate

No. 0102325399 dated 23 July 2007 which was initially issued by the Ha Noi Authority for Planning and Investment with the latest 30th amendment dated 19 April 2023.

Investment registration certificate

No. 2357762445 dated 30 December 2016 which was initially issued by the Board of Management of Saigon Hi-Tech Park for a period of 50 years from the date of the initial Investment registration certificate.

Board of Directors

Ms. Nguyen Thi Phuong Thao	Chairperson
Ms. Nguyen Thanh Ha	Vice Chairperson
Mr. Nguyen Anh Tuan	Vice Chairperson - Independent member
Mr. Donal Joshep Boylan	Vice Chairperson - Independent member
Mr. Nguyen Thanh Hung	Member
Mr. Dinh Viet Phuong	Member
Ms. Ho Ngoc Yen Phuong	Member
Mr. Luu Duc Khanh	Member
Mr. Chu Viet Cuong	Member

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

CORPORATE INFORMATION (continued)

Board of Management	Mr. Dinh Viet Phuong Ms. Ho Ngoc Yen Phuong	Chief Executive Officer Vice President cum Chief Finance Officer
	Mr. Micheal Hickey Mr. To Viet Thang Mr. Nguyen Thanh Son	Chief Operation Officer Vice President Vice President cum Chief Commercial Officer
Audit Committee	Mr. Nguyen Anh Tuan Mr. Luu Duc Khanh Mr. Chu Viet Cuong	Chairperson Member Member
Legal representative	Ms. Nguyen Thi Phuong Thao	Chairperson of the Board of Directors
	Mr. Dinh Viet Phuong Ms. Ho Ngoc Yen Phuong	Chief Executive Officer Vice President
Registered office	302/3 Kim Ma Street, Ngoc Khanh Ward, Ba Dinh District Hanoi City, Vietnam	
Auditor	PwC (Vietnam) Limited	

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

STATEMENT OF THE BOARD OF MANAGEMENT

Statement of responsibility of the Board of Management of the Company in respect of the consolidated interim financial statements

The Board of Management of VietJet Aviation Joint Stock Company ("the Company") is responsible for preparing the consolidated interim financial statements of the Company and its subsidiaries (together referred to as "the Group") which give a true and fair view of the consolidated interim financial position of the Group as at 30 June 2024, and of the consolidated interim results of its operations and its consolidated interim cash flows for the six-month period then ended. In preparing these consolidated interim financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the consolidated interim financial statements on a going-concern basis unless it is inappropriate to presume that the Group will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated interim financial position of the Group and enable consolidated interim financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the consolidated interim financial statements. The Board of Management is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud or error.

Approval of the consolidated interim financial statements

We hereby approve the accompanying consolidated interim financial statements as set out on pages 6 to 84 which give a true and fair view of the consolidated interim financial position of the Group as at 30 June 2024, and of the consolidated interim results of its operations and its consolidated interim cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated interim financial statements.

On behalf of the Board of Management



Dinh Viet Phuong
Chief Executive Officer

Ha Noi City, SR Vietnam
6 September 2024



REPORT ON REVIEW OF CONSOLIDATED INTERIM FINANCIAL INFORMATION TO THE SHAREHOLDERS OF VIETJET AVIATION JOINT STOCK COMPANY

We have reviewed the accompanying consolidated interim financial statements of VietJet Aviation Joint Stock Company ("the Company") and its subsidiaries (together referred to as "the Group") which were prepared on 30 June 2024, and approved by the Board of Management of the Company on 6 September 2024. The consolidated interim financial statements comprise the consolidated interim balance sheet as at 30 June 2024, the consolidated interim income statement and the consolidated interim cash flow statement for the six-month period then ended, and explanatory notes to the consolidated interim financial statements including significant accounting policies, as set out on pages 6 to 84.

Responsibility of the Board of Management

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these consolidated interim financial statements of the Group in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated interim financial statements, and for such internal control which the Board of Management determines is necessary to enable the preparation and presentation of the consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 - *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2024, its consolidated financial performance and its consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated interim financial statements.

Emphasis of Matter

We draw attention to Note 43 in the consolidated interim financial statements, in which the Group disclosed the aircraft commercial dispute between the Group and an Entity. Our conclusion is not modified in respect of this matter.

Other Matter

The report on review of consolidated interim financial statements is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Lương Thị Anh Tuyền
Audit Practising Licence No.
3048-2024-006-1
Authorised signatory

Report reference number: HCM15865
Ho Chi Minh City, 6 September 2024

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES
Form B 01a – DN/HN
CONSOLIDATED INTERIM BALANCE SHEET

Code	ASSETS	Note	As at	
			30.6.2024 VND	31.12.2023 VND
100	CURRENT ASSETS		43,981,809,281,627	40,826,968,900,401
110	Cash and cash equivalents	3	2,597,624,069,785	5,050,743,180,748
111	Cash		2,042,370,459,573	2,427,790,228,105
112	Cash equivalents		555,253,610,212	2,622,952,952,643
120	Short-term investments		2,412,327,124,731	613,343,871,096
121	Trading securities	4(a)	990,000,000,000	990,000,000,000
122	Provision for diminution in value of trading securities	4(a)	(398,750,000,000)	(486,450,000,000)
123	Investments held to maturity	4(b)	1,821,077,124,731	109,793,871,096
130	Short-term receivables		37,753,479,429,286	34,243,067,480,800
131	Short-term trade accounts receivable	5	13,117,520,196,217	12,316,753,791,172
132	Short-term prepayments to suppliers	6(a)	2,507,703,366,912	1,778,869,624,304
135	Short-term lendings	7(a)	509,466,531,793	457,000,000,000
136	Other short-term receivables	8(a)	21,992,691,774,289	19,690,444,065,324
137	Provision for doubtful debts – short term	42	(373,902,439,925)	-
140	Inventories		997,508,725,571	703,384,543,264
141	Inventories	9	997,508,725,571	703,384,543,264
150	Other current assets		220,869,932,254	216,429,824,493
151	Short-term prepaid expenses	10(a)	170,146,494,075	139,380,066,942
152	Value added tax ("VAT") to be reclaimed	15(a)	6,575,843,694	9,006,655,475
153	Tax and other receivables from the State	15(a)	44,147,594,485	68,043,102,076

The notes on pages 12 to 84 are an integral part of these consolidated interim financial statements.

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES
Form B 01a – DN/HN
**CONSOLIDATED INTERIM BALANCE SHEET
(continued)**

Code	ASSETS (continued)	Note	As at	
			30.6.2024 VND	31.12.2023 VND
200	LONG-TERM ASSETS		48,224,115,181,770	46,098,452,016,368
210	Long-term receivables		27,097,595,166,415	26,305,729,746,755
211	Long-term trade accounts receivable		-	1,942,095,121,864
212	Long-term prepayments to suppliers	6(b)	5,671,829,324,734	6,115,740,351,363
215	Long-term lendings	7(b)	918,763,482,797	874,767,806,179
216	Other long-term receivables	8(b)	20,507,002,358,884	17,373,126,467,349
220	Fixed assets		11,136,549,548,608	10,173,343,104,449
221	Tangible fixed assets	11(a)	5,094,337,680,885	3,990,618,451,426
222	Historical cost		5,924,365,171,214	4,638,893,419,349
223	Accumulated depreciation		(830,027,490,329)	(648,274,967,923)
224	Finance lease fixed assets	11(b)	5,981,703,403,588	6,135,424,462,924
225	Historical cost		6,181,116,755,409	6,181,116,755,409
226	Accumulated depreciation		(199,413,351,821)	(45,692,292,485)
227	Intangible fixed assets	11(c)	60,508,464,135	47,300,190,099
228	Historical cost		107,616,542,127	88,711,024,773
229	Accumulated amortisation		(47,108,077,992)	(41,410,834,674)
240	Long-term asset in progress		351,670,302,437	380,635,096,052
242	Construction in progress	12	351,670,302,437	380,635,096,052
250	Long-term investments		149,417,024,400	149,417,024,400
252	Investments in associates	4(c)	-	-
253	Investment in other entities	4(d)	149,417,024,400	149,417,024,400
260	Other long-term asset		9,488,883,139,910	9,089,327,044,712
261	Long-term prepaid expenses	10(b)	9,488,883,139,910	9,056,529,403,935
262	Deferred income tax assets	23	-	32,797,640,777
270	TOTAL ASSETS		92,205,924,463,397	86,925,420,916,769

The notes on pages 12 to 84 are an integral part of these consolidated interim financial statements.

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

Form B 01a – DN/HN

CONSOLIDATED INTERIM BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at	
			30.6.2024 VND	31.12.2023 VND
300	LIABILITIES		75,688,242,579,963	71,672,280,613,334
310	Short-term liabilities		38,633,994,063,426	38,861,475,794,473
311	Short-term trade accounts payable	13	8,986,559,105,356	8,805,295,313,768
312	Short-term advances from customers	14	1,015,628,555,930	3,546,076,667,248
313	Tax and other payables to the State	15(b)	361,531,488,551	449,814,735,804
314	Payable to employees	16	191,371,951,013	155,083,000,891
315	Short-term accrued expenses	17	2,413,957,381,444	1,926,403,437,286
318	Short-term unearned revenue	18	3,168,512,061,633	3,600,018,592,599
319	Other short-term payables	19(a)	4,057,505,977,411	4,157,248,813,226
320	Short-term borrowings and finance lease liabilities	20(a)	16,801,094,509,366	13,553,794,368,608
321	Provision for short-term liabilities	21	1,630,467,438,927	2,662,251,126,094
322	Bonus and welfare fund	22	7,365,593,795	5,489,738,949
330	Long-term liabilities		37,054,248,516,537	32,810,804,818,861
337	Other long-term payables	19(b)	396,103,017,802	1,624,408,614
338	Long-term borrowings and finance lease liabilities	20(b)	18,564,967,397,002	17,257,038,503,121
341	Deferred income tax liabilities	23	317,996,215,690	-
342	Provision for long-term liabilities	21	17,775,181,886,043	15,552,141,907,126
400	OWNERS' EQUITY		16,517,681,883,434	15,253,140,303,435
410	Capital and reserves		16,517,681,883,434	15,253,140,303,435
411	Owners' capital	24, 25	5,416,113,340,000	5,416,113,340,000
411a	- Ordinary shares with voting rights		5,416,113,340,000	5,416,113,340,000
412	Share premium	25	247,483,117,899	247,483,117,899
417	Foreign exchange differences	25	748,834,711,927	318,761,018,138
421	Undistributed earnings	25	10,080,350,253,152	9,249,524,468,061
421a	- Undistributed post-tax profits of previous years		9,249,524,468,061	9,018,933,578,880
421b	- Post-tax profits of current period/year		830,825,785,091	230,590,889,181
429	Non-controlling interests	24	24,900,460,456	21,258,359,337
440	TOTAL RESOURCES		92,205,924,463,397	86,925,420,916,769

 Nguyen Thi Thanh Nga
 Chief Accountant/Preparer

 Ho Ngoc Yen Phuong
 Vice President cum
 Chief Finance Officer

 Dinh Viet Phuong
 Chief Executive Officer
 6 September 2024



The notes on pages 12 to 84 are an integral part of these consolidated interim financial statements.

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

Form B 02a – DN/HN

CONSOLIDATED INTERIM INCOME STATEMENT

Code	Note	For the six-month period ended	
		30.6.2024 VND	30.6.2023 VND
01	Revenue from sales of goods and rendering of services	34,029,943,841,249	29,503,155,481,329
02	Less deductions	-	-
10	Net revenue from sales of goods and rendering of services	34,029,943,841,249	29,503,155,481,329
11	Cost of goods sold and services rendered	(30,275,981,717,804)	(27,724,417,863,222)
20	Gross profit from sales of goods and rendering of services	3,753,962,123,445	1,778,737,618,107
21	Financial income	1,147,453,290,821	702,925,465,666
22	Financial expenses	(2,024,006,944,340)	(1,037,992,457,582)
23	- Including: Interest expense	(1,429,148,502,358)	(769,153,377,725)
25	Selling expenses	(1,257,353,143,059)	(833,625,615,267)
26	General and administration expenses	(858,342,344,742)	(395,176,492,266)
30	Net operating profit	761,712,982,125	214,868,518,658
31	Other income	262,755,997,786	48,835,269,599
32	Other expenses	(24,060,527,049)	(17,506,998,085)
40	Net other income	238,695,470,737	31,328,271,514
50	Accounting profit before tax	1,000,408,452,862	246,196,790,172
51	Corporate income tax ("CIT") - current	(2,308,325,676)	(2,338,164,511)
52	CIT - deferred	(163,632,240,976)	(107,304,042,370)
60	Profit after tax	834,467,886,210	136,554,583,291
61	Attributable to: Shareholders of the Company	830,825,785,091	135,118,883,647
62	Non-controlling interests	3,642,101,119	1,435,699,644
70	Basic earnings per share	1,534	249
71	Diluted earnings per share	1,534	249

Nguyễn Thị Thanh Nga
Chief Accountant/Preparer

Ho Ngọc Yên Phương
Vice President cum
Chief Finance Officer

Dinh Viet Phuong
Chief Executive Officer
6 September 2024



The notes on pages 12 to 84 are an integral part of these consolidated interim financial statements.

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES
Form B 03a – DN/HN
**CONSOLIDATED INTERIM CASH FLOW STATEMENT
(Indirect method)**

Code	Note	For the six-month period ended	
		30.6.2024	30.6.2023
		VND	VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax	1,000,408,452,862	246,196,790,172
	Adjustments for:		
02	Depreciation and amortisation	341,342,768,186	193,687,946,700
03	Provisions	981,050,551,582	3,129,299,176,095
04	Unrealised foreign exchange (gains)/losses	(293,091,398,712)	131,791,177,002
05	Profits from investing activities	(448,723,426,045)	(201,745,708,318)
06	Interest expense and bond issuance expense	1,475,327,774,877	769,153,377,725
08	Operating profit before changes in working capital	3,056,314,722,750	4,268,382,759,376
09	Increase in receivables	(3,042,120,610,388)	(1,142,396,787,553)
10	Increase in inventories	(294,124,182,307)	(92,398,148,598)
11	Decrease in payables	(1,732,295,784,148)	(4,791,041,193)
12	Increase in prepaid expenses	(273,131,581,555)	(1,669,696,757,148)
14	Interest paid	(1,459,789,974,452)	(905,543,995,231)
15	CIT paid	(572,209,671)	(715,578,106)
17	Other payments on operating activities	(130,000,000)	(27,157,060,332)
20	Net cash (outflows)/inflows from operating activities	(3,745,849,619,771)	425,683,391,215
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets	(1,569,807,518,537)	(127,234,723,127)
22	Proceeds from disposals of fixed assets	143,556,874	104,478,032,313
23	Loans and term deposits granted	(1,882,039,253,635)	-
24	Collection of loans and investment held to maturity	118,289,468,207	178,000,000,000
27	Interest received	288,575,067,691	118,005,504,996
30	Net cash (outflows)/inflows from investing activities	(3,044,838,679,400)	273,248,814,182

The notes on pages 12 to 84 are an integral part of these consolidated interim financial statements.

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

Form B 03a – DN/HN

CONSOLIDATED INTERIM CASH FLOW STATEMENT (continued)
(Indirect method)

		For the six-month period ended	
Code	Note	30.6.2024 VND	30.6.2023 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
33	Proceeds from borrowings	29,438,542,609,854	11,562,183,961,264
34	Repayments of borrowings	(24,954,151,183,502)	(11,944,018,641,897)
35	Finance lease principal repayments	(155,567,723,502)	(3,264,360,620)
40	Net cash inflows/(outflows) from financing activities	4,328,823,702,850	(385,099,041,253)
50	Net (decrease)/increase in cash and cash equivalents	(2,461,864,596,321)	313,833,164,144
60	Cash and cash equivalents at beginning of period	5,050,743,180,748	1,858,261,735,520
61	Effect of foreign exchange differences	8,745,485,358	(7,060,125,164)
70	Cash and cash equivalents at end of period	2,597,624,069,785	2,165,034,774,500

Additional information relating to the consolidated interim cash flow statement is presented in Note 39.


 Nguyen Thi Thanh Nga
 Chief Accountant/Preparer


 Ho Ngoc Yen Phuong
 Vice President cum
 Chief Finance Officer


 Dinh Viet Phuong
 Chief Executive Officer
 6 September 2024



The notes on pages 12 to 84 are an integral part of these consolidated interim financial statements.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

1 GENERAL INFORMATION

VietJet Aviation Joint Stock Company ("the Company") is a joint stock company established in SR Vietnam pursuant to Enterprise registration certificate No. 0102325399 dated 23 July 2007 which was initially issued by the Ha Noi Authority for Planning and Investment and the latest 30th amendment of the Enterprise registration certificate dated 19 April 2023.

The Company's shares are listed on the Ho Chi Minh City Stock Exchange with the stock trading code "VJC".

The principal activities of the Company and its subsidiaries (together referred to as "the Group") are to provide passenger and cargo transportation services on domestic and international air routes, airline-related support services and to trade aircraft and aircraft's components.

The normal business cycle of the Group is 12 months.

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

Form B 09a – DN/HN

1 GENERAL INFORMATION

As at 30 June 2024, the Group had 7 direct subsidiaries, 2 indirect subsidiaries and 2 associates. Details are as follows:

Directly-owned subsidiaries	Principal activities	Enterprise registration certificate	Place of incorporation and operation	30.6.2024		31.12.2023	
				Ownership (%)	Voting right (%)	Ownership (%)	Voting right (%)
Vietjet Air IVB No. I Limited	To trade and lease aircraft and aircraft components	No. 1825671 dated 27 May 2014	British Virgin Islands	100	100	100	100
Vietjet Air IVB No. II Limited	To trade and lease aircraft	No. 1825613 dated 27 May 2014	British Virgin Islands	100	100	100	100
Vietjet Air Singapore Pte. Ltd.	To trade aircraft	No. 201408849N dated 27 March 2014	Singapore	100	100	100	100
Vietjet Air Ireland No. 1 Limited	To trade and lease aircraft	No. 544879 dated 3 June 2014	Ireland	100	100	100	100
Galaxy Pay Company Limited	To provide payment services (online payment, e-wallet)	No. 0316368255 dated 10 April 2024	Vietnam	100	100	100	100
Swift 247 Joint Stock Company	To provide other activities and support services related to transportation	No. 0315524536 dated 27 November 2023	Vietnam	67	67	67	67
VietJet Ground Services Limited Liability Company	To provide direct support services for airline transportation	No. 0109783334 dated 19 October 2021	Vietnam	100	100	100	100

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

Form B 09a – DN/HN

1 GENERAL INFORMATION (continued)

Indirectly-owned subsidiaries	Principal activities	Enterprise registration certificate	Place of incorporation and operation	30.6.2024		31.12.2023	
				Ownership (%)	Voting right (%)	Ownership (%)	Voting right (%)
Skymate Limited	To trade and lease aircraft	No. 327015 dated 15 September 2017	Cayman Islands	100	100	100	100
VietjetAir Cargo Joint Stock Company	To provide cargo transportation and related support services	No. 0312759089 dated 13 June 2024	Vietnam	64	67	64	67
Associates							
Thai Vietjet Air Joint Stock Co., Ltd. (*)	To provide passenger and cargo transportation and related services	No. 0105556100551 dated 25 June 2013	Thailand	9	9	9	9
Cam Ranh International Terminal Joint Stock Company (*)	To provide direct support services for airline transportation	No. 4201676638 dated 5 February 2016	Vietnam	10	10	10	10

(*) The Group has significant influence over these companies because the Group has representatives in the Board of Directors of these companies.

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

Form B 09a – DN/HN

2 GENERAL INFORMATION (continued)

As at 30 June 2024 and as at 31 December 2023, the Group had 1 dependent accounting branch and 1 representative office. The details are as follows:

	Place of establishment and registration of operations
Dependent accounting branch	
Vietjet Aviation Joint Stock Company – Central Branch	200 Le Dinh Ly, Hoa Thuan Tay Ward, Hai Chau District, Da Nang City, Vietnam
Representative office	
Vietjet Aviation Joint Stock Company	8th Floor, Vietjet Plaza, 60A Truong Son, Ward 2, Tan Binh District, Ho Chi Minh City, Vietnam.
As at 30 June 2024, the Group had 6,671 employees, including 6,101 direct employees and 570 outsourced employees through human resources service (as at 31 December 2023: 6,132 employees including 5,446 direct employees and 686 outsourced employees through human resources service).	

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of consolidated interim financial statements**

The consolidated interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated interim financial statements. The consolidated interim financial statements have been prepared under the historical cost convention, except for investments in associates and business combinations as presented in Note 2.5.

The accompanying consolidated interim financial statements are not intended to present the consolidated interim financial position and consolidated interim results of operations and consolidated interim cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The consolidated interim financial statements in the Vietnamese language are the official statutory consolidated interim financial statements of the Group. The consolidated interim financial statements in the English language have been translated from the Vietnamese version.

2.2 Fiscal year

The Group's fiscal year is from 1 January to 31 December. The consolidated interim financial statements were prepared for the six-month period from 1 January to 30 June.

2.3 Currency

The consolidated interim financial statements are measured and presented in Vietnamese Dong ("VND" or "Dong").

On consolidating, if the currencies used on interim financial statements of subsidiaries are different from that of the Company, the Company is required to translate those interim financial statements into the currency used in the Company's consolidated interim financial statements under the following principles:

- Assets, liabilities of overseas subsidiaries are translated at actual exchange rate at period end;
- Net assets of the subsidiaries are translated at the exchange rate of acquisition date;
- Undistributed earnings or losses incurred after acquisition date are translated based on the translation of income and expenses in the consolidated interim income statement;
- Profits and dividends already paid are translated at the actual exchange rate at the date of payment;
- Items of the consolidated interim income statement and the consolidated interim cash flow statement are translated at the average exchange rate of the accounting period if it approximates the actual rate at the time of the transaction (with the difference not exceeding 2%); and

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.3 Currency (continued)**

- The cumulative amount of exchange differences is presented in a separate component of equity. Accumulated exchange differences arising from translation and attributable to the Company are presented in "Foreign exchange differences". Those arising from translation and attributable to non-controlling interests are allocated to "Non-controlling interests". Accumulated exchange differences arising from translation of unamortised goodwill are attributable to the Company.

2.4 Exchange rates

Transactions arising in foreign currencies are translated at an exchange rate which is the rate approximating the average transfer exchange rate of the buying and selling rates of the commercial banks where the Group regularly transacts. The Group ensures that the disparity of the approximate exchange rate does not exceed +/- 1% compared with the average transfer exchange rate and does not materially impact the financial position and the results of operations during the accounting period. The average transfer exchange rate is determined monthly based on the average between the daily buying transfer rate and selling transfer rate of the commercial banks. Foreign exchange differences arising from these translations are recognised in the consolidated interim income statement.

Monetary assets and liabilities denominated in foreign currencies at the consolidated interim balance sheet date are translated at the transfer rate at the consolidated interim balance sheet date of the commercial banks where the Group regularly transacts. The transfer rate is average transfer rate of the commercial banks. Foreign exchange differences arising from these translations are recognised in the consolidated interim income statement.

2.5 Basis of consolidation**Subsidiaries**

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated interim income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 Basis of consolidation (continued)****Subsidiaries (continued)**

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The interim financial statements of the subsidiaries are prepared for the same accounting period of the Group for the consolidation purpose. If there are differences in end dates, the gap must not exceed 3 months. Adjustments are made to reflect impacts of significant transactions and events occurring between the end dates of the subsidiaries' accounting period and that of the Group's. The length of the reporting period and differences in reporting date must be consistent between periods.

Non-controlling transactions and interests

The Group applies a policy for transactions with non-controlling interests ("NCI") as transactions with external parties to the Group.

NCI are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

A divestment of the Group's interest in a subsidiary that does not result in a loss of control is accounted for as a transaction with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received from divestment of the Group's interest in the subsidiary is recorded directly in the undistributed earnings under equity.

In a divestment of the Group's interest in a subsidiary that results in a loss of control, the difference between the Group's share in the net assets of the subsidiary and the net proceeds from divestment is recognised in the consolidated interim income statement. The retained interest in the entity will be accounted for as either an investment in another entity or an investment to be accounted for as equity since the divestment date.

Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of the post-acquisition profits or losses of its associates is recognised in the consolidated interim income statements. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture or associate.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 Basis of consolidation (continued)****Associates (continued)**

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.

2.6 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is recognised as an asset and is amortised on a straight-line basis over its estimated period of benefit but not exceeding a period of 10 years.

Goodwill on acquisitions of investments in associates is included in the carrying amount of the investments at the date of acquisition. The Group does not amortise this goodwill.

On disposal of the investments in subsidiaries or associates, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on the disposal.

Goodwill is carried at cost less accumulated amortisation, and is tested annually for impairment. If there is evidence that the impairment during the period is higher than the annual goodwill charge, the Group records the impairment immediately in the accounting period.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks and other short-term investments with an original maturity of three months or less.

2.8 Receivables

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. The difference between the provision of this period and the provision of the previous period is recognised as an increase or decrease of general and administration expenses in the period. Bad debts are written off when identified as uncollectible.

Receivables are classified into short-term and long-term receivables on the consolidated interim balance sheet based on the remaining period from the consolidated interim balance sheet date to the maturity date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.9 Maintenance reserves of leased aircraft**

Under terms of aircraft operating lease agreements, the Group has legal and contractual obligations for maintenance and repair of the leased aircraft during the term of the lease and shall contribute maintenance reserves with the lessors. The maintenance reserves is recognised as other receivables when the Company contributes money to the aircraft maintenance fund and there is certainty about the Company's ability to use this contribution from the lessors for periodic aircraft maintenance and repair activities pursuant to the aircraft operating lease agreements. Contribution maintenance reserves made to lessors are typically calculated based on a performance measure, such as flight hours or cycles, and are contractually required to be reimbursed to the Group upon the completion of the required maintenance of the leased aircraft including replacement of life limited parts, engine performance restoration, airframe major structural inspection, landing gear overhaul and auxiliary power unit (APU) heavy repair. The remaining unutilised portion of the maintenance reserves of leased aircraft after the completion and liquidation of redelivery procedures, if any, at the end of lease terms will be owned by the lessors.

Maintenance reserves of leased aircraft are classified into short-term and long-term receivables based on the estimated time that the Group could utilise maintenance and repair expenses from the maintenance reserves from the consolidated interim balance sheet date.

2.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method for merchandise, and specific identification method for tools and supplies, includes all costs of purchase and other directly-related costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the normal course of business, less the estimated selling expenses.

The Group applies the perpetual system for inventories.

Provision is made, when necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this period and the provision of the previous period is recognised as an increase or decrease of cost of goods sold in the period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.11 Investments****(a) Trading securities**

Trading securities are securities which are held for trading to earn profits.

Trading securities are initially recorded at historical cost including cost of acquisition and any expenditure that is directly attributable to the acquisition. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the period end. The provision for diminution in value of trading securities is made when their carrying value is higher than their market value. The fair value of the investment in unlisted shares traded on Unlisted Public Company Market ("UPCoM") is determined by the average reference price of the last 30 consecutive trading days prior to the date of the consolidated balance sheet. Changes in the provision balance during the accounting period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

The Group recognises trading securities when it has ownership of the assets, specifically as follows:

- Listed securities are recognised at the time of order matching; and
- Unlisted securities are recognised at the time when official ownership is established in accordance with regulations.

Profit or loss from liquidation or disposal of trading securities is recognised in the consolidated interim income statement. The costs of trading securities disposed of are determined by using the moving weighted average method.

(b) Investments held-to-maturity

Investments held-to-maturity are investments which the Group has a positive intention and ability to hold until maturity.

Investments held to maturity include term deposits. Those investments are initially accounted for at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the period end.

Provision for diminution in value of investments held-to-maturity is made when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the accounting period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Investments held to maturity are classified into short-term and long-term investments held to maturity on the consolidated interim balance sheet based on the remaining period from the consolidated interim balance sheet date to the maturity date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Investments (continued)

(c) Investments in associates

Investments in associates are accounted for using the equity method when preparing the consolidated interim financial statements (Note 2.5).

(d) Investments in other entities

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are accounted for initially at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the period end.

Provision for investments in other entities is made when there is a diminution in value of the investments at the period end. It is calculated based on market value if market value can be determined reliably. If market value cannot be determined reliably, the provision for investments in other entities is calculated based on the loss of investees.

Changes in the provision balance during the accounting period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2.12 Lendings

Lendings are lendings granted for interest earning under agreements among parties but not for being traded as securities.

Lendings are initially recognised at cost. Subsequently, the Board of Management reviews all outstanding amounts to determine the amount of provision to recognise at the period end. Provision for doubtful lendings is made for each lending based on overdue days in payment of principals according to the initial payment commitment (exclusive of the payment rescheduling between parties) or based on the estimated loss that may arise. Changes in the provision balance during the period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the lending is restored to its original cost.

Lendings are classified into short-term and long-term lendings on the consolidated interim balance sheet based on the remaining term of the lendings as at the consolidated interim balance sheet date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.13 Business cooperation contract**

A business cooperation contract ("BCC") is a contract between the Group and other parties to carry out specific business activities without establishing a new legal entity. These activities are controlled by one of the parties. The Group agrees with the parties participating in the BCC to share the profit before tax of the BCC according to the actual contribution ratio of the Group, however, it shall not be lower than a fixed profit-sharing ratio, regardless of the business performance of the contract.

According to this BCC, the Group is not in charge of accounting and tax finalisation. The Group accounts for its proportionate share of revenue and expenses from the BCC in the consolidated interim income statement as net profit before tax.

2.14 Fixed assets*Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes any expenditure that is directly attributable to the acquisition of the fixed assets bringing them to suitable conditions for their intended use. Expenditure which is incurred subsequently and has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the consolidated interim income statement when incurred in the period.

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line basis so as to write off the depreciable amount of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the financial statements minus (-) the estimated disposal value of such assets. The estimated useful lives of each asset class are as follows:

Aircraft and aircraft engines	8 - 20 years
Buildings and structures	5 - 47 years
Machinery and equipment	3 - 15 years
Motor vehicles	6 - 10 years
Office equipment	3 - 10 years
Software	2 - 10 years

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the consolidated interim income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.14 Fixed assets (continued)***Construction in progress*

Construction in progress represents the cost of assets in the course of installation or construction for production, rental or administrative purposes, or for purposes not yet determined, which are recorded at cost and are comprised of such necessary costs to construct, repair and maintain, upgrade, renew or equip the projects with technologies as construction costs; costs of tools and equipment; construction consulting expenditure; and expenses for the purchase of unfinished and undelivered aircraft. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

2.15 Leased assets

Leases of property, plant and equipment where the lessor has transferred the ownership at the end of the lease period, and transferred substantially the risks and rewards, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of leased assets or the present value of the minimum lease payments.

Each lease payment is separated between the liability and finance charges to achieve a constant rate on the outstanding finance lease balance. The corresponding rental obligations, net of finance charge, are included in long-term borrowings.

The interest element of the finance cost is charged to the consolidated interim income statement over the lease term. The property, plant and equipment acquired under finance leasing contracts is depreciated on a straight-line basis over the shorter of the estimated useful life of the assets or the lease term. However, if there is reasonable certainty that the lessee will obtain ownership by the end of the lease term, depreciation is calculated over the estimated useful life of the assets.

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated interim income statement on either a straight-line basis over the terms of the lease.

2.16 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the consolidated interim balance sheet.

(a) Short-term prepaid expenses

Short-term prepaid expenses represent prepayments for services or tools and supplies that do not meet the recognition criteria for fixed assets for a period not exceeding 12 months or a business cycle from the date of prepayment. There prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.16 Prepaid expenses (continued)****(b) Long-term prepaid expenses**

Long-term prepaid expenses of the Group include:

(i) *Maintenance costs of leased aircraft and costs to make good on leased aircraft*

Accounting policies related to the recognition and allocation of maintenance costs of leased aircraft falls within the scope of the aircraft maintenance fund for leased aircraft and costs to make good on leased aircraft are presented in Note 2.21 to these consolidated interim financial statements.

(ii) *Aircraft inspection expenditure*

Inspection expenses for leased aircraft are states at cost and amortised using the straight-line basis over the period from these expenses incurred to the next inspection or the remaining term of lease, if shorter.

(iii) *Parts*

Parts which have estimated useful lives of more than 1 year are recorded in long-term prepaid expenses and amortised on a straight-line basis over their estimated useful lives.

(iv) *Tools and instruments*

Tools and instruments include assets held-for-use by the Group in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulations. Cost of tools and instruments are amortised on a straight-line basis over a period from 2 years to 5 years.

(v) *Deferred aircraft lease expenses*

The deferred aircraft lease expenses reflect the difference between the amount of which the Group shall settle pursuant to the lease payment schedule agreed with the lessors and the lease expenses charged on a straight-line basis.

(vi) *Other long-term prepaid expenses*

Other long-term prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

2.17 Payables

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services; and
- Other payables are non-trade payables, and payables not relating to purchases of goods and services.

Payables are classified into short-term and long-term payables on the consolidated interim balance sheet based on the remaining period from the consolidated interim balance sheet date to the maturity date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.18 Borrowings and finance lease liabilities**

Borrowings and finance lease liabilities include borrowings and finance lease liabilities from banks and other entities.

Borrowings and finance lease liabilities are classified into short-term and long-term borrowings and finance lease liabilities on the consolidated interim balance sheet based on the remaining period from the consolidated interim balance sheet date to the maturity date.

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. In respect of general-purpose borrowings, a portion of which is used for the purpose of construction or production of any qualifying assets, the Group determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on the assets. The capitalisation rate is the weighted average of the interest rates applicable to the Group's borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the consolidated interim income statement when incurred.

2.19 Bonds issued - Straight bonds

At initial recognition, straight bonds are measured at cost which comprises proceeds from issuance netting off issuance costs. Any discount, premium or issuance costs are amortised on a straight-line basis over the term of the bonds.

2.20 Accrued expenses

Accrued expenses include liabilities for goods and services received in the period but not yet paid for due to pending invoices or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting period.

2.21 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the level of the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the accounting period are recorded as an increase or decrease in operating expenses.

Provisions include provisions for periodic maintenance costs in the scope of maintenance reserves and provisions for cost to make good on leased assets.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.21 Provisions (continued)****(a) Provisions for periodic maintenance costs in the scope of maintenance reserves**

In accordance with the Group's policy:

- with respect to the Group's aircraft or the lease agreements with Japanese lessors with call options contracts to purchase aircraft at the end of the lease term, referred as Japanese Operating Leases with Call Option Contracts ("JOLCO"), the costs of periodic maintenance for leased aircraft are recognised when incurred as long-term prepaid expenses and are amortised in the consolidated interim income statements using the basis of actual flight hours or cycles to the next maintenance (Note 2.16(b)(i));
- with respect to aircraft operating lease agreements which are sub-leased by Thai Vietjet Air Joint Stock Co., Ltd. ("Thai Vietjet") – an associate, according to the sublease contract with Thai Vietjet, maintained costs are incurred and settled by Thai Vietjet so the Company does not record provisions for periodic maintenance costs in the scope of maintenance reserves with these contracts;
- with respect to other aircraft operating leases, pursuant to aircraft leasing agreements between the Group and its lessors and the requirements of Vietnam Aviation Authority, the Group has to perform the routine maintenance and periodic maintenance for leased aircraft based on Maintenance Planning Development for each aircraft which was developed based on the guidance of airline manufacturers. Routine maintenance is recognised as expenses during the period they incurred while the periodic maintenance subject to period maintenance cost. The Group is able to use the leased aircraft maintenance reserves to perform periodic maintenance within the scope of the aircraft maintenance reserves.

The provisions for maintenance expenses in the scope of the maintenance reserves include four (4) main parts:

- Costs of maintenance and replacement of the Life-Limited Part ("LLP");
- Costs of maintenance and replacement of the Landing Gear ("LDG");
- Costs of maintenance of the Engine Performance Restoration ("CPR"); and
- Costs of maintenance of the Auxiliary Power Unit ("APU").

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.21 Provisions (continued)****(a) Provisions for periodic maintenance costs in the scope of maintenance reserves (continued)**

The provisions for LLP and LDG are determined by the expected future cost of maintenance and replacement for the leased aircraft, having regard to the current fleet plan. At the beginning of lease term and during the period of leasing, the estimated costs are recorded in provisions with a corresponding asset is recognised in long-term prepaid expenses balance. The estimated costs in long-term prepaid expenses are amortised to expenses in the consolidated interim income statement using the basis of actual flight hours or cycles to the next maintenance event. If there is a significant change in the estimated costs, the provision for maintenance cost and the long-term prepaid expenses will be reassessed accordingly.

The provisions for CPR and APU are accrued and charged to the consolidated interim income statement over the actual flight hours or flight cycles and the estimated cost per a flight hour or a flight cycles in subsequent maintenances for CPR and APU.

(b) Provisions for cost to make good on leased assets

In accordance with the Group's policy:

- with respect to JOLCO contracts, the cost of returning leased assets is recognized in the consolidated interim income statement when incurred.
- with respect to aircraft operating lease agreements which are sub-leased by Thai Vietjet, cost to make good on leased assets are incurred and settled by Thai Vietjet.
- with respect to aircraft operating lease agreements of which the Group is required to return aircraft with adherence to certain maintenance conditions, cost to make good on leased assets is estimated at the inception of the lease based on the present value of the future expected costs at the expiration of the lease in order for the Group to meet the conditions for the return of the aircraft to the lessors, including certain levels of maintenance as well as arranging for final test flights, inspection, custom and deregistration costs, removal of the Group's modifications, if any, repainting aircraft's body, and return of aircraft to a specified location. At the beginning of the lease, the estimated cost is recorded as a provision with a corresponding asset in long-term prepaid expenses. The long-term prepaid expenses are amortised in the consolidated interim income statements on a straight-line basis over the term of the lease.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.22 Unearned revenue**

Unearned revenue mainly comprises revenue from passenger transportation and ancillary services, pilots and flight attendants training revenue. The Group records unearned revenue for the future obligations that the Group has to fulfil. Unearned revenue is recognised as revenue in the consolidated interim income statement during the period to the extent that revenue recognition criteria have been met.

2.23 Capital and reserves

Owners' capital is recorded according to the actual amounts contributed at the par value of the shares.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Undistributed earnings/(accumulated losses) record the Group's results (profit or loss) after CIT at the reporting date.

2.24 Appropriation of profit

The Group's dividends are recognised as a liability in the Group's consolidated interim financial statements in the period in which the dividends are approved at the General Meeting of Shareholders and the list of shareholders receiving dividends is approved according to the Resolution of the Board of Directors of the Group.

Net profit after CIT could be distributed to shareholders after approval at the General Meeting of Shareholders, and after appropriation to other funds in accordance with the Group's charter and Vietnamese regulations. The General Meeting of Shareholders authorised the Board of Directors to decide on the implementation time.

The Group's fund is as below:

Bonus and welfare fund

Bonus and welfare fund is appropriated from the Group's profit after CIT pursuant to Resolution of the Board of Directors and being approved by shareholders at the Annual General Meeting of Shareholders. Fund is presented as a liability in the consolidated interim balance sheet. This fund is used for reward and encouragement of physical benefits, serving the needs of public welfare, improvement and enhancement of the standard of physical and spirit life of workers.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.25 Revenue recognition****(a) Revenue from passenger transportation**

Revenue from passenger transportation is recognised in the consolidated interim income statement when the transportation is provided or when the ticket expires. The value of unused passenger tickets and miscellaneous charges is recorded in short-term liabilities as unearned revenue. Non-refundable tickets generally expire on the date of the intended flight, unless the date is extended by notification from the customers by the intended flight date. Tickets and related service fees that have been extended at the customer's request but not used within the extended period will be recognized as revenue. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due. Revenue from passenger transportation is recognised at the net amount after deducting sales discounts stated on the invoice.

(b) Ancillary revenue

Ancillary revenue includes cargo transportation, baggage service, other revenue related to passenger transportation, sales of in-flight and duty-free merchandise, advertising and commission. Ancillary revenue is not recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods or services.

- (i) Revenue from cargo transportation is recognised in the consolidated interim income statement when the services are provided.
- (ii) Revenue from baggage service is recognised in the consolidated interim income statement when the related passenger transportation service is provided or when the ticket expires.
- (iii) Other revenue related to passenger transportation such as fees charged in association with changes or extensions of non-refundable tickets are recorded as ancillary revenue as a separate transaction from passenger transportation upon the completion of updating information on the system as requested by customers or successfully renewing airline tickets with fees that have been specifically specified and determined in advance for each service.
- (iv) Sales of in-flight and duty-free merchandise are recognised in the consolidated interim income statement when all five (5) of the following conditions are satisfied:
 - The Group has transferred to the buyer the significant risks and rewards of ownership of the merchandises;
 - The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the merchandises sold;
 - The amount of revenue can be measured reliably;
 - It is probable that the economic benefits associated with the transaction will flow to the Group; and
 - The costs incurred or to be incurred in respect of the transaction can be measured reliably.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.25 Revenue recognition (continued)****(b) Ancillary revenue (continued)**

- (v) Advertising revenue and commission are recorded as ancillary revenue when the completed stage is determined according to specific provisions in each advertising contract or when performing sales activities with enjoy commissions as agreed in relevant contracts and agreements with fees recorded for each activity also specified in detail in these documents.

(c) Revenue from charter flights and charter cargo transportation

Revenue from charter flights and charter cargo transportation are recognised in the consolidated interim income statement when the services are provided. Revenue is not recognised if there are significant uncertainties regarding recovery of the consideration due.

(d) Revenue from aircraft leasing

Revenue from aircraft leasing under operating lease arrangements is recognised in the consolidated interim income statement on a straight-line basis over the term of the lease.

(e) Sales and leaseback transaction

The Group's assets sales and leaseback transaction is a transaction where an aircraft, or engine is sold then leased back by the Group. The accounting treatment of a sale and leaseback transaction depends upon the type of lease involved.

For a transaction that results in an operating lease:

- If the sales price is at fair value, there is a normal sale transaction and any profit or loss is recognised immediately in the accounting period when the transaction takes place.
- If the sales price is below fair value, any profit or loss shall be recognised immediately in the accounting period when the transaction takes place except that, if the loss is compensated for by future lease payments at below market price, it shall be deferred and amortised in proportion to the lease payments over the period for which the aircraft or engine is expected to be used.
- If the sales price is above fair value, the excess over fair value shall be deferred and amortised over the period for which the aircraft or engine is expected to be used.
- If the fair value at the time of a sale and leaseback transaction is less than the carrying amount of the aircraft or engine, a loss equal to the amount of the difference between the carrying amount and fair value shall be recognised immediately in the accounting period when the transaction takes place.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.25 Revenue recognition (continued)****(f) Revenue from sales of aircraft purchase right option**

Revenue from sales of aircraft purchase right option is recognised in the consolidated interim income statement when the significant risks and rewards of ownership have been transferred to the buyer; the amount of revenue can be measured reliably; and it is probable that the economic benefits associated with the transaction will flow to the Group. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of aircraft.

(g) Revenue from sales of aircraft and aircraft's components

Revenue from sale of aircraft and aircraft's components is recognised in the consolidated interim income statement when all five (5) of the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the aircraft and aircraft's components;
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the aircraft and aircraft's components sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of aircraft and aircraft's components.

(h) Revenue from rendering of other services

Revenue from rendering of other services is recognised in the consolidated interim income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue is not recognised if there are significant uncertainties regarding recovery of the consideration due.

Revenue from rendering of services is only recognised when all four (4) of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group;
- The percentage of completion of the transaction at the consolidated interim balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.25 Revenue recognition (continued)

(i) Interest income

Interest income is recognised on the basis of the actual time and interest rates for each period when both (2) of the following conditions are satisfied:

- It is probable that economic benefits associated with the transaction will flow to the Group; and
- Income can be measured reliably.

(j) Dividend income

Income from dividend is recognised when both (2) of the following conditions are satisfied:

- It is probable that economic benefits associated with the transaction will flow to the Group; and
- Income can be measured reliably.

Income from dividends is recognised when the Group has established receiving rights from investees.

2.26 Cost of goods sold and services rendered

Cost of goods sold and services rendered are the cost of merchandise sold or services rendered during the period, and recorded on the basis of matching with revenue and on a prudence basis.

2.27 Financial expenses

Financial expenses are expenses incurred in the period for financial activities including expenses or losses relating to provision for diminution in the value of trading securities; provision for diminution in value of other entities; unwinding discount of provision; expenses of lending and borrowing; finance lease interest expense; losses incurred on selling foreign currencies and losses from foreign exchange differences.

2.28 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling merchandises and providing services.

2.29 General and administration expenses

General and administration expenses represent expenses that are incurred for administrative purposes.

2.30 Current and deferred income tax

Income tax includes all income tax which is based on taxable profits. Income tax expense comprises current tax expense and deferred tax expense.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.30 Current and deferred income tax (continued)**

Current income tax is the amount of income tax payable or recoverable in respect of the current period taxable profits at the current period tax rates. Current and deferred income tax are recognised as an income or an expense and included in the profit or loss of the period, except to the extent that the income tax arises from a transaction or event which is recognised, in the same or a different period, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated interim financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the accounting period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated interim balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.31 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group, key management personnel, including the members of the Board of Directors, the Board of Management, Audit Committee of the Group, close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationships with each related party, the Group considers the substance of the relationships not merely the legal form.

2.31 Segment reporting

A segment is a component which can be separated by the Group engaged in sales of goods or rendering of services ("business segment"), or sales of goods or rendering of services within a particular economic environment ("geographical segment"). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Group's business segment or the Group's geographical segment.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.32 Critical accounting estimates**

The preparation of consolidated interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated interim financial statements requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated interim financial statements and the reported amounts of revenues and expenses during the six-month period ended 30 June 2024.

The areas involving significant estimates and assumptions are as follows:

- Estimated useful lives of fixed assets (Note 2.14 and 2.11);
- Provisions for periodic maintenance costs in the scope of maintenance reserves and cost to make good on leased assets (Notes 2.21 and 21);
- Deferred income tax (Notes 2.30 and 23); and
- Provision for doubtful debts (Note 2.19 and 42).

Such estimates and assumptions are continually evaluated. They are based on historical experiences and other factors, including expectations of future events that may have a financial impact on the Group and that are assessed by the Board of Management to be reasonable under the circumstances.

3 CASH AND CASH EQUIVALENTS

	30.6.2024 VND	31.12.2023 VND
Cash on hand	7,277,226,744	8,367,511,248
Cash at banks (*)	2,035,093,232,829	2,419,422,716,857
Cash equivalents (**)	555,253,610,212	2,622,952,952,643
	<u>2,597,624,069,785</u>	<u>5,050,743,180,748</u>

(*) As at 30 June 2024, the demand deposits amounted to USD11,013,600 at HSBC Bank (Vietnam) Ltd. has been placed to secure for obligations arising from the issuance of Letter of Credit (as at 31 December 2023: USD11,013,600).

(**) As at 30 June 2024, cash equivalents mainly include term deposits in VND at banks with original maturities of 3 months or less and earn interest at rates ranging from 1.9% to 3% per annum (as at 31 December 2023: from 2.7% to 3.85% per annum), included a term deposit amounted to VND58 billion (as at 31 December 2023: VND580 billion) at Vietnam Joint Stock Commercial Bank of Industry and Trade placed to secure for obligations arising from the issuance of Letter of Credit and term deposits amounted to VND200 billion (as at 31 December 2023: VND200 billion) at Military Commercial Joint Stock Bank which were secured for a part of Credit Facility of the Group.

3 CASH AND CASH EQUIVALENTS (continued)

As at 30 June 2024, the Group had demand and term deposit amounted to VND1,409 billion (as at 31 December 2023: VND2,959 billion) at Ho Chi Minh City Development Joint Stock Commercial Bank – a related party with the normal terms and conditions applied (Note 40(b)).

In addition to cash and cash equivalents presented in this note, as at 30 June 2024, the Group also had term deposits in VND at banks which had original maturities from 4 to 12 months, earned interest at rates ranging from 2.2% to 4.9% per annum and will be due by 31 December 2024 amounted to VND1,797 billion (as at 31 December 2023: nil) (Note 4(b)).

4 INVESTMENTS**(a) Trading securities**

	As at 30.6.2024			
	Quantity	Cost VND	Fair value (*) VND	Provision VND
Petro Vietnam Oil Corporation	50,000,000	990,000,000,000	591,250,000,000	(398,750,000,000)
	As at 31.12.2023			
	Quantity	Cost VND	Fair value (*) VND	Provision VND
Petro Vietnam Oil Corporation	50,000,000	990,000,000,000	503,550,000,000	(486,450,000,000)

In 2020, the Group signed a non-cancellation agreement to sell the purchase right option of 50 million shares of Petro Vietnam Oil Corporation ("PV Oil") for the consideration of VND500 billion and the Group fully collected this consideration. According to the latest extended appendix on 30 June 2024, the buyer will have an option to purchase these shares at the market price before 31 December 2024.

(b) Investments held to maturity

	As at 30.6.2024		As at 31.12.2023	
	Cost VND	Book value VND	Cost VND	Book value VND
Term deposits (*)	1,821,077,124,731	1,821,077,124,731	109,793,871,096	109,793,871,096

(*) As at 30 June 2024, investments held to maturity mainly include term deposits in VND at banks with their original maturity from 4 months to 12 months and earn interest at rates ranging from 2.2% to 4.9% per annum (as at 31 December 2023: from 3% to 7.5% per annum). Investments held to maturity include term deposits which will be due by 31 December 2024 amounted to VND1,797 billion (as at 31 December 2023: nil).

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4 INVESTMENTS (continued)

(c) Investments in associates

	As at 30.6.2024				As at 31.12.2023			
	Ownership %	Cost VND	Net value owned by the Group VND		Ownership %	Cost VND	Net value owned by the Group VND	
Thai Vietjet Air Joint Stock Co., Ltd. (i)	9	-	-	-	9	-	-	-
Cam Ranh International Terminal Joint Stock Company	10	60,000,000,000	-	-	10	60,000,000,000	-	-
		60,000,000,000	-	-		60,000,000,000	-	-

(i) As at 30 June 2024 and 31 December 2023, the Group has not yet contributed capital this associate. The Board of Management clearly understands the current regulations related to capital contributions to this company and assesses that there are no violations or material effects that need to be disclosed at the date of approval of the consolidated interim financial statements.

As at 30 June 2024 and 31 December 2023, the Group could not determine the fair value of these investments to disclose in the consolidated interim financial statements as these investments are not quoted in the market. The fair value of such investments may differ from their book values.

(d) Investments in other entities

	As at 30.6.2024				As at 31.12.2023			
	Ownership %	Cost VND	Fair value VND	Provision VND	Ownership %	Cost VND	Fair value VND	Provision VND
Sai Gon Ground Services Joint Stock Company (ii)	9.1	149,417,024,400	249,763,075,200	-	9.1	149,417,024,400	221,909,595,000	-
Angelica Holding Limited (iii)	10	-	-	-	10	-	-	-
		149,417,024,400	249,763,075,200	-		149,417,024,400	221,909,595,000	-

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4 INVESTMENTS (continued)
(d) Investments in other entities (continued)

- (ii) The fair value of investments in other entities is its share price which is determined by referencing to the closing prices on the Ho Chi Minh City Stock Exchange (HOSE). As at 30 June 2024, the fair value of the investments in Sai Gon Ground Services Joint Stock Company is VND250 billion (as at 31 December 2023: VND222 billion).
- (iii) As at 30 June 2024 and 31 December 2023, the Group has not yet contributed the capital in this company, which is incorporated in Cayman Islands. The principal activities of this company are to provide consultancy services and lease aircraft.

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	30.6.2024 VND	31.12.2023 VND
Third parties		
Fadle Chem Private Limited (*)	1,496,541,329,850	1,427,843,746,050
Yuejie (Hangzhou) Freight Forwarding Co., Ltd. (*)	1,249,096,100,000	1,191,757,300,000
Hangzhou BaoLi Co., Ltd. (*)	709,968,070,934	852,537,099,656
Nam Anh Technology Limited Company	201,663,273,119	298,590,000,000
Zhejiang Lixi International Travel Co., Ltd. (*)	86,409,465,364	218,857,285,023
Others	806,022,818,850	638,058,187,151
	<u>4,549,701,058,117</u>	<u>4,627,643,617,880</u>
Related parties (Note 40(b))	8,567,819,138,100	7,689,110,173,292
	<u>13,117,520,196,217</u>	<u>12,316,753,791,172</u>

- (*) From 1 January 2024 to the approval date of these consolidated interim financial statements, these customers have paid VND668,940,000,000 to the Group. As at 30 June 2024, the short-term trade accounts receivable from these customers have been overdue by VND2,639,553,614,048 (as at 31 December 2023: VND1,799,742,535,357). Based on overdue period according to the initial payment commitment as well as based on the estimated loss that may arise, the Board of Management made provision for these doubtful debts amounted to VND295 billion (Note 42).

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6 PREPAYMENTS TO SUPPLIERS
(a) Short-term

	30.6.2024 VND	31.12.2023 VND
Third parties		
Angelica Aviation Capital Vietnam Joint Stock Company (*)	788,000,000,000	788,000,000,000
Yuejie (Hangzhou) Freight Forwarding Co., Ltd. (**)	531,848,087,400	-
Hangzhou BaoLi Co., Ltd. (**)	121,277,805,600	-
Others	762,988,145,210	566,923,771,923
	<u>2,204,114,038,210</u>	<u>1,354,923,771,923</u>
Related parties (Note 40(b))	303,589,328,702	423,945,852,381
	<u>2,507,703,366,912</u>	<u>1,778,869,624,304</u>

(*) The balance is related to the prepayment of the aircraft engine business contract.

(b) Long-term

	30.6.2024 VND	31.12.2023 VND
Yuejie (Hangzhou) Freight Forwarding Co., Ltd. (**)	4,762,240,243,621	5,074,339,299,318
Hangzhou BaoLi Co., Ltd. (**)	909,589,081,113	1,041,401,052,045
	<u>5,671,829,324,734</u>	<u>6,115,740,351,363</u>

(**) These amounts represented long-term prepayments of marketing and consulting services for oversea strategic business developments within 10 years. The services provided by these partners include: target market research and development of appropriate marketing strategies for a number of target markets; preparation of a 10-year overall marketing plan as well as detailed annual plans for each marketing project; and management of these projects in international markets.

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7 LENDINGS
(a) Short-term

Borrower	Currency	Annual interest rate	Year of maturity	30.6.2024 VND	31.12.2023 VND
Truong Son Plaza Joint Stock Company (*)	VND	9%	2024	338,710,531,793	457,000,000,000
Angelica Aviation Capital Vietnam Joint Stock Company (**)	VND	11%	2025	170,756,000,000	-
				<u>509,466,531,793</u>	<u>457,000,000,000</u>

(*) This amount represents the loan balance to Truong Son Plaza Joint Stock Company to finance working capital of this company. These loans are unsecured and will be matured on 9 September 2024.

(**) This amount represents the loan balance to Angelica Aviation Capital Vietnam Joint Stock Company to finance investment capital and working capital of this company. These loans are secured by the borrower's revenue arising from aircraft leasing activities to the Group with the estimated value of each lease year as at 30 June 2024 of VND358,644,000,000 and will be matured on 28 February 2025 and 20 March 2025, respectively.

(b) Long-term

Borrower	Currency	Annual interest rate	Year of maturity	30.6.2024 VND	31.12.2023 VND
AAA Aircraft Asset Company Limited (*)	USD	2.5%	2029	536,351,600,870	518,403,576,000
Apricot Aircraft Assets No. 1 Limited (**)	USD	5%	2033	327,265,960,427	301,218,308,679
Board of Management (Note 40(b)(***)	VND	5.8%	2027	25,000,000,000	25,000,000,000
Senior Management (Note 40(b)(***)	VND	5.8%	2027	25,000,000,000	25,000,000,000
Others	VND	5%	2025	5,145,921,500	5,145,921,500
				<u>918,763,482,797</u>	<u>874,767,806,179</u>

(*) This amount represents the loan balance amounted to USD21,501,600 due from AAA Aircraft Asset Company Limited, a related party, to finance its purchase of aircraft and the related purchase costs. This loan is unsecured and will be matured in 2029.

(**) This amount represents the loan balance amounted to USD12,950,770 due from Apricot Aircraft Assets No. 1, a related party, to finance its purchase of aircraft and the related purchase costs. This loan is unsecured and will be matured in 2033.

(***) These loans are unsecured.

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8 OTHER RECEIVABLES

(a) Short-term

	As at 30.6.2024		As at 31.12.2023	
	Book value VND	Provision VND	Book value VND	Provision VND
Third parties				
Deposits for aircraft purchases within next 12 months	5,384,862,076,515	-	3,023,006,578,142	-
Maintenance reserves of leased aircraft				
- Regular contributions	2,196,179,889,125	-	1,900,288,003,915	-
- Receivables from maintenance reserves of leased aircraft	55,725,977,838	-	144,203,942,409	-
Receivables from transfer of Pacific Star's shares (i)	2,436,600,000,000	-	2,436,600,000,000	-
Receivables from business cooperation (ii)	2,186,560,400,000	-	2,186,560,400,000	-
Deposit to repurchase the transferred business rights (iii)	2,027,000,000,000	-	-	-
Receivables from transfer of commercial and operational right (iii)	1,252,524,469,623	-	1,151,067,552,161	-
Receivables from transfer of Vinh Son's shares (iv)	1,080,000,000,000	-	2,070,000,000,000	-
Interest receivables from BCC, lendings and deposit	249,342,347,803	-	293,085,862,361	-
Receivables from transfer of capital contribution deposit contracts	-	-	338,650,000,000	-
Purchase discounts receivable from suppliers	561,766,618,919	-	173,433,588,050	-
Others	804,240,001,708	-	1,985,052,146,967	-
	18,234,801,781,531	-	15,701,948,074,005	-
Related parties (Note 40(b))				
	3,757,889,992,758	-	3,988,495,991,319	-
	21,992,691,774,289	-	19,690,444,065,324	-

8 OTHER RECEIVABLES (continued)**(a) Short-term (continued)**

- (i) Receivables related to the transfer of shares of Pacific Star Investment and Development Company to Conasi Real Estate Management and Development Joint Stock Company ("Conasi") and Flex Financial Investment Limited Liability Company ("Flex"). As at 30 June 2024, these receivables are secured by collateral of 3.6 million shares of Pacific Star. The overdue balance of receivables are VND993,6 billion (as at 31 December 2023: VND1,777 billion). From 1 January 2024 to the date of approval of these consolidated interim financial statements, the Group has collected VND1,800 billion. Based on the payment history of these third parties, as well as the collateral for the aforementioned receivables, the Board of Management assessed that these receivables are recoverable.
- (ii) The Group signed a business cooperation contract ("BCC") to implement the Hoa Sen Dai Phuoc Project with a third party. Accordingly, the Group enjoys pre-tax profits of the BCC corresponding to the actual contribution ratio of the Group, but not less than 9% per annum calculated on the capital contributed by the Group to the project.
- (iii) Receivables of VND1,253 billion related to the transfer of commercial and operational rights of the Vietjet Plaza Building to a third party before 2024. During the six-month period ended 30 June 2024, in order to secure the right to rent a building at a location near Tan Son Nhat airport for the convenience of the Group's office, the Group signed a contract to repurchase the commercial and operational rights of Vietjet Plaza Building, and made a deposit of VND2,027 billion for this contract. The transfer of the building to the Group will be completed as planned in the last 6 months of 2024. Related receivable and payable balances will be settled at the time of handover.
- (iv) Receivables related to the transfer of shares of Vinh Son Joint Stock Company ("Vinh Son") to Viet Phap International Construction Design Consultant Joint Stock Company ("Viet Phap"). From 1 January 2024 to the date of approval of these consolidated interim financial statements, the Group has collected VND990 billion. The remaining receivables in due are secured by the collateral assets of 3 million shares of Vinh Son which are owned by Viet Phap.

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8 OTHER RECEIVABLES (continued)
(b) Long-term

	As at 30.6.2024		As at 31.12.2023	
	Book value	Provision	Book value	Provision
	VND	VND	VND	VND
Third parties				
Regular contribution of maintenance reserves of leased aircraft	12,484,739,663,469	-	10,921,765,414,953	-
Deposit for aircraft purchases after next 12 months (i)	4,259,959,969,033	-	3,069,311,858,793	-
Deposit for aircraft leases	2,242,618,546,465	-	2,051,906,249,573	-
Others	611,036,280,521	-	546,625,154,378	-
	<u>19,598,354,459,488</u>	<u>-</u>	<u>16,589,608,677,697</u>	<u>-</u>
Related parties (Note 40(b))	<u>908,647,899,396</u>	<u>-</u>	<u>783,517,789,652</u>	<u>-</u>
	<u>20,507,002,358,884</u>	<u>-</u>	<u>17,373,126,467,349</u>	<u>-</u>

(i) The amounts represent deposits for aircraft purchases from 2025 to 2029 to Airbus S.A.S and Boeing Company.

9 INVENTORIES

	As at 30.6.2024		As at 31.12.2023	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Tools and supplies	937,641,893,147	-	653,814,006,771	-
Merchandise	59,866,832,424	-	49,570,536,493	-
	<u>997,508,725,571</u>	<u>-</u>	<u>703,384,543,264</u>	<u>-</u>

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10 PREPAID EXPENSES
(a) Short-term

	30.6.2024 VND	31.12.2023 VND
Tools and instruments	126,642,656,611	100,470,111,960
Others	43,503,837,464	38,909,954,982
	<u>170,146,494,075</u>	<u>139,380,066,942</u>

(b) Long-term

	30.6.2024 VND	31.12.2023 VND
Maintenance costs of leased aircraft	5,898,376,954,815	6,360,989,325,732
Deferred aircraft lease expenses	1,660,409,683,105	875,071,909,143
Costs to make good on leased assets	648,114,624,215	681,066,083,405
Major inspection and overhaul expenditure	572,773,200,607	573,703,403,431
Parts, tools and instruments	495,468,155,279	274,258,581,024
Others	213,740,521,889	291,440,101,200
	<u>9,488,883,139,910</u>	<u>9,056,529,403,935</u>

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10 PREPAID EXPENSES (continued)

(b) Long-term (continued)

Movements in long-term prepaid expenses during the period/year are as follows:

	Maintenance costs of leased aircraft VND	Costs to make good on leased assets VND	Parts, tools and instruments VND	Major inspection and overhaul expenditure VND	Deferred aircraft lease expenses VND	Others VND	Total VND
As at 1 January 2023	5,023,761,090,900	608,163,922,799	267,207,414,543	495,343,640,432	-	244,713,124,091	6,639,189,192,765
Increase	2,066,687,396,654	190,027,889,069	1,363,169,368	212,379,001,700	875,071,909,143	45,024,040,724	3,390,553,406,658
Transfers from inventory	-	-	468,600,576,985	-	-	-	468,600,576,985
Transfers from construction in progress (Note 12)	-	-	45,113,720,216	196,932,615,877	-	5,376,482,409	247,422,818,502
Reclassification	-	-	(65,499,397,072)	(166,978,535,748)	-	218,298,389,324	(14,179,543,496)
Allocation	(729,459,161,822)	(117,125,728,463)	(442,526,903,016)	(163,973,318,830)	-	(221,971,935,348)	(1,675,057,047,479)
As at 31 December 2023	6,360,989,325,732	681,066,083,405	274,258,581,024	573,703,403,431	875,071,909,143	291,440,101,200	9,056,529,403,935
Increase in the period	69,283,848,174	27,829,045,296	11,565,717,426	8,680,868,000	785,337,773,962	21,962,320,632	924,659,573,490
Transfers from inventory	-	-	227,496,182,591	-	-	-	227,496,182,591
Transfers from construction in progress (Note 12)	-	-	55,748,384,037	127,150,064,130	-	7,090,133,386	189,988,581,553
Reclassification	-	-	76,607,866,094	-	-	(43,946,861,570)	32,661,004,524
Allocation	(531,896,219,091)	(60,780,504,486)	(150,208,575,893)	(136,761,134,954)	-	(62,805,171,759)	(942,451,606,183)
As at 30 June 2024	5,898,376,954,815	648,114,624,215	495,468,155,279	572,773,200,607	1,660,409,683,105	213,740,521,889	9,488,883,139,910

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11 FIXED ASSETS

(a) Tangible fixed assets

	Aircraft and aircraft engines VND	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Historical cost						
As at 1 January 2024	3,931,293,994,227	411,126,152,378	135,089,985,418	99,267,961,178	62,115,326,148	4,638,893,419,349
New purchases	1,132,713,000,000	275,966,492	3,323,870,828	148,213,428,726	1,260,985,819	1,285,787,251,865
Disposals	-	-	-	-	(315,500,000)	(315,500,000)
As at 30 June 2024	5,064,006,994,227	411,402,118,870	138,413,856,246	247,481,389,904	63,060,811,967	5,924,365,171,214
Accumulated depreciation						
As at 1 January 2024	476,921,405,603	34,770,145,883	66,187,859,291	33,015,513,256	37,380,043,890	648,274,967,923
Charge for the period	159,516,473,412	4,420,132,252	7,250,651,063	7,703,108,922	3,034,099,883	181,924,465,532
Disposals	-	-	-	-	(171,943,126)	(171,943,126)
As at 30 June 2024	636,437,879,015	39,190,278,135	73,438,510,354	40,718,622,178	40,242,200,647	830,027,490,329
Net book value						
As at 1 January 2024	3,454,372,588,624	376,356,006,495	68,902,126,127	66,252,447,922	24,735,282,258	3,990,618,451,426
As at 30 June 2024	4,427,569,115,212	372,211,840,735	64,975,345,892	206,762,767,726	22,818,611,320	5,094,337,680,885

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11 FIXED ASSETS (continued)

(a) Tangible fixed assets (continued)

As at 30 June 2024, tangible fixed assets with a carrying value of VND536 billion (as at 31 December 2023: VND557 billion) were pledged to Military Commercial Joint Stock Bank as collateral assets for long-term borrowings granted to the Group (Note 20(b)(iv)).

The historical cost of tangible fixed assets that were fully depreciated but still in use as at 30 June 2024 and 31 December 2023 was VND59 billion.

(b) Finance lease fixed assets

Aircraft
VND

Historical cost

As at 1 January 2024 and as at 30 June 2024

6,181,116,755,409

Accumulated depreciation

As at 1 January 2024

45,692,292,485

Charge for the period

153,721,059,336

As at 30 June 2024

199,413,351,821

Net book value

As at 1 January 2024

6,135,424,462,924

As at 30 June 2024

5,981,703,403,588

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11 FIXED ASSETS (continued)

(c) Intangible fixed assets

Software
VND**Historical cost**

As at 1 January 2024

88,711,024,773

Transfers from construction in progress (Note 12)

18,905,517,354

As at 30 June 2024

107,616,542,127**Accumulated amortisation**

As at 1 January 2024

41,410,834,674

Charge for the period

5,697,243,318

As at 30 June 2024

47,108,077,992**Net book value**

As at 1 January 2024

47,300,190,099

As at 30 June 2024

60,508,464,135

The historical cost of intangible fixed assets that were fully amortised but still in use as at 30 June 2024 and 31 December 2023 was VND31 billion.

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12 CONSTRUCTION IN PROGRESS

Details of construction in progress by projects are as follows:

	30.6.2024	31.12.2023
	VND	VND
Major inspection and overhaul expenses (*)	161,086,095,204	172,175,563,569
Purchase costs of aircraft and aircraft engines	155,186,964,031	170,937,557,775
Others	35,397,243,202	37,521,974,708
	<u>351,670,302,437</u>	<u>380,635,096,052</u>

(*) After the completion of inspection and overhaul, these expenses will be transferred to prepaid expenses and allocated over the cycle of periodic inspection and overhaul activities.

Movements in construction in progress during the period/year are as follows:

	For the six-month	For the year ended
	period ended 30.6.2024	31.12.2023
	VND	VND
Beginning of period/year	380,635,096,052	308,749,694,497
Purchase	192,758,752,461	432,593,511,308
Transfers to intangible fixed assets (Note 11(c))	(18,905,517,354)	(22,741,208,828)
Transfers to long-term prepaid expenses (Note 10(b))	(189,988,581,553)	(247,422,818,502)
Others	(12,829,447,169)	(90,544,082,423)
End of period/year	<u>351,670,302,437</u>	<u>380,635,096,052</u>

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13 SHORT-TERM TRADE ACCOUNTS PAYABLE

	As at 30.6.2024		As at 31.12.2023	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
Petrolimex Aviation Fuel Joint Stock Company	2,150,423,450,762	2,150,423,450,762	2,421,289,466,998	2,421,289,466,998
Tan Son Nhat Petrol Commercial Joint Stock Company	945,763,077,048	945,763,077,048	481,018,603,401	481,018,603,401
Others	5,128,680,888,377	5,128,680,888,377	4,974,420,698,180	4,974,420,698,180
	8,224,867,416,187	8,224,867,416,187	7,876,728,768,579	7,876,728,768,579
Related parties (Note 40(b))				
	761,691,689,169	761,691,689,169	928,566,545,189	928,566,545,189
	8,986,559,105,356	8,986,559,105,356	8,805,295,313,768	8,805,295,313,768

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14 SHORT-TERM ADVANCES FROM CUSTOMERS

	30.6.2024 VND	31.12.2023 VND
Third parties		
Angelica Aviation Capital Vietnam Company Limited	-	1,268,260,000,000
Nam Anh Technology Limited Company	-	1,220,000,000,000
Others	1,009,740,184,755	1,041,712,896,709
	<u>1,009,740,184,755</u>	<u>3,529,972,896,709</u>
Related parties (Note 40(b))	5,888,371,175	16,103,770,539
	<u>1,015,628,555,930</u>	<u>3,546,076,667,248</u>

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15 TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE

Movements in tax and other receivables from/payables to the State during the period are as follows:

	As at 1.1.2024 VND	Receivable/payable during the period VND	Payment during the period VND	Net-off during the period VND	Refund during the period VND	As at 30.6.2024 VND
a) Tax receivables						
Foreign contractor tax	60,352,367,367	-	-	(16,477,414,800)	-	43,874,952,567
Deductible VAT	9,006,655,475	1,084,641,487,909	-	(1,087,072,299,690)	-	6,575,843,694
Goods and services tax in foreign countries	7,690,734,709	40,045,398,082	-	(10,620,293,312)	(36,843,197,561)	272,641,918
	<u>77,049,757,551</u>	<u>1,124,686,885,991</u>	<u>-</u>	<u>(1,114,170,007,802)</u>	<u>(36,843,197,561)</u>	<u>50,723,438,179</u>
b) Tax payables						
Personal income tax	74,453,870,527	260,778,081,190	(155,007,270,877)	-	(9,009,479,419)	171,215,201,421
CIT	165,053,992,020	2,308,325,676	(572,209,671)	-	-	166,790,108,025
VAT	210,300,133,148	1,145,762,716,073	(248,659,815,349)	(1,087,072,299,690)	-	20,330,734,182
Goods and services tax in foreign countries	-	52,807,495,021	(39,069,228,932)	(10,620,293,312)	-	3,117,972,777
Foreign contractor tax	-	16,477,414,800	-	(16,477,414,800)	-	-
Import taxes	-	97,682,741,087	(97,682,741,087)	-	-	-
Other tax	6,740,109	17,713,516,904	(17,642,784,867)	-	-	77,472,146
	<u>449,814,735,804</u>	<u>1,593,530,290,751</u>	<u>(558,634,050,783)</u>	<u>(1,114,170,007,802)</u>	<u>(9,009,479,419)</u>	<u>361,531,488,551</u>

16 PAYABLE TO EMPLOYEES

The balances as at 30 June 2024 represent June salaries payable to employees.

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17 SHORT-TERM ACCRUED EXPENSES

	30.6.2024 VND	31.12.2023 VND
Technical and aircraft related expenses	1,026,338,096,112	995,616,357,198
Interest expense	369,565,226,081	400,206,698,175
Maintenance	117,781,446,472	50,167,897,695
Others	900,272,612,779	480,412,484,218
	<u>2,413,957,381,444</u>	<u>1,926,403,437,286</u>

18 SHORT-TERM UNEARNED REVENUE

	30.6.2024 VND	31.12.2023 VND
Passenger transportation and ancillary services revenue received in advance, to be realised within next 12 months	3,129,291,984,114	3,545,846,183,336
Others	39,220,077,519	54,172,409,263
	<u>3,168,512,061,633</u>	<u>3,600,018,592,599</u>

19 OTHER PAYABLES
(a) Short-term

	30.6.2024 VND	31.12.2023 VND
Third party		
Airport fees and charges payables to airports	2,405,020,082,844	2,357,369,919,640
Airport fees received on behalf of passengers	823,282,267,154	1,057,481,042,821
Others	467,655,955,657	389,378,220,297
	<u>3,695,958,305,655</u>	<u>3,804,229,182,758</u>
Related parties (Note 40(b))	<u>361,547,671,756</u>	<u>353,019,630,468</u>
	<u>4,057,505,977,411</u>	<u>4,157,248,813,226</u>

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19 OTHER PAYABLES (continued)

(b) Long-term

	30.6.2024 VND	31.12.2023 VND
Third parties	4,741,602,443	1,624,408,614
Related parties (Note 40(b))	391,361,415,359	-
	<u>396,103,017,802</u>	<u>1,624,408,614</u>

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20 BORROWINGS AND FINANCE LEASE LIABILITIES

(a) Short-term	As at 1.1.2024 VND	Increase VND	Decrease VND	Reclassification VND	Revaluation VND	As at 30.6.2024 VND
Borrowings from banks (i)	8,132,929,053,581	28,037,542,609,854	(24,920,436,083,502)	-	13,129,973,812	11,263,165,553,745
Current portion of long-term bonds (Note 20(b)(v))	5,000,000,000,000	-	-	-	-	5,000,000,000,000
Current portion of long-term finance lease (Note 20(b)(vi))	305,164,895,027	-	(155,567,723,502)	156,689,884,025	11,923,038,071	318,210,093,621
Borrowings from third party (ii)	-	101,000,000,000	-	-	-	101,000,000,000
Current portion of long-term borrowings (Note 20(b))	70,700,420,000	-	(33,715,100,000)	35,478,342,191	1,255,199,809	73,718,862,000
Borrowings from related parties (iii) (Note 40(b))	45,000,000,000	-	-	-	-	45,000,000,000
	13,553,794,368,608	28,138,542,609,854	(25,109,718,907,004)	192,168,226,216	26,308,211,692	16,801,094,509,366

20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)**(a) Short-term (continued)****(i) Borrowings from banks**

Details of short-term borrowings from banks are as follows:

Lenders	Currency	Maturity	30.6.2024 VND	31.12.2023 VND
Secured loans				
Ho Chi Minh City Development Joint Stock Commercial Bank, a related party (Note 40(b))(*)	USD VND	September 2024 to June 2025	3,294,129,211,567	3,300,425,512,901
Unsecured loans				
Vietnam Joint Stock Commercial Bank of Industry and Trade	VND	July to September 2024	2,299,977,146,481	1,159,674,562,979
Military Commercial Joint Stock Bank	VND	July to December 2024	2,039,711,071,687	2,058,001,325,721
Vietnam Maritime Commercial Joint Stock Bank	VND	September 2024 to February 2025	1,911,375,758,593	899,060,278,181
Vietnam International Commercial Joint Stock Bank	VND	September to October 2024	999,800,597,028	-
Woori Bank Vietnam Limited, Ho Chi Minh City Branch	USD	July to September 2024	649,892,770,033	650,000,000,000
HSBC Bank (Vietnam) Ltd.	VND	July to October 2024	68,278,998,356	65,767,373,799
			<u>11,263,165,553,745</u>	<u>8,132,929,053,581</u>

(*) This loan is secured by the estimated receivables arising from the Group's sales of flight tickets in the future as at 30 June 2024 and 31 December 2023 amounted to VND6,355 billion.

During the period, these borrowings bear interest at rates ranging from 4.9% to 8.8% per annum for borrowings in VND, and from 5.8% to 6% per annum for borrowings in USD (for the year ended 31 December 2023: 5% to 10.8% per annum and 5.6% to 6.9% per annum).

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20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(a) Short-term (continued)

(ii) Borrowings from third party

Details of short-term borrowings from third party are as follows:

Lenders	Currency	30.6.2024 VND	31.12.2023 VND
Unsecured loans			
Vi Na Man Equipment And Automobiles Company Limited	VND	101,000,000,000	-

During the period, this borrowing bears an interest rate of 13.83% per annum, with a maturity date of November 2024.

(iii) Borrowings from related party

Details of short-term borrowings from related party are as follows:

Lenders	Currency	30.6.2024 VND	31.12.2023 VND
Unsecured loans			
Victoria Academy Company Limited	VND	45,000,000,000	45,000,000,000

During the period, this borrowing bears an interest rate of 5% per annum (for the year ended 31 December 2023: 5% per annum), with a maturity date of May 2025.

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20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(b) Long-term		As at 1.1.2024 VND	Increase VND	Decrease VND	Reclassification VND	Revaluation VND	As at 30.6.2024 VND
	Straight bonds (v)	14,000,000,000,000	1,300,000,000,000	-	-	-	15,300,000,000,000
	Finance lease liabilities						
	(Note 20(b)(vi))	3,444,270,067,438	-	-	(156,689,884,025)	144,628,186,878	3,432,208,370,291
	Borrowings from banks (iv)	249,939,031,053	-	-	(35,478,342,191)	9,289,660,700	223,750,349,562
	Bond issuance costs	(437,170,595,370)	-	46,179,272,519	-	-	(390,991,322,851)
		17,257,038,503,121	1,300,000,000,000	46,179,272,519	(192,168,226,216)	153,917,847,578	18,564,967,397,002

(iv) Borrowings from banks

Details of long-term borrowings from banks are as follows:

Lenders	Currency	Maturity	As at 30.6.2024		As at 31.12.2023	
			Current portion of long-term borrowings VND	Long-term borrowings VND	Current portion of long-term borrowings VND	Long-term borrowings VND
Military Commercial Joint Stock Bank (*)	USD	June 2028	73,718,862,000	223,750,349,562	70,700,420,000	249,939,031,053

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20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(b) Long-term (continued)

(iv) Borrowings from banks (continued)

(*) The principal of this borrowing is repayable in 17 equal semi-annual instalments of USD1.4 million (equivalent to VND33 billion) each and a final instalment of USD1.5 million (equivalent to VND35 billion) on 13 June 2028. The borrowing bears interest at rates ranging from 8.42% to 8.47% per annum (for the year ended 31 December 2023: from 7.84% to 8.42% per annum) and is secured by the Group's tangible fixed assets with the carrying amount as follows:

30.6.2024
VND

31.12.2023
VND

Aircraft No. A320 MSN7167, VNA675 (Note 11(a))

535,530,574,841

557,724,963,053

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20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(b) Long-term (continued)

(v) Straight bonds

Details of long-term straight bonds are as follows:

	Currency	Year of maturity	As at 30.6.2024		As at 31.12.2023	
			Current portion of long-term borrowings VND	Long-term borrowings VND	Current portion of long-term borrowings VND	Long-term borrowings
Bonds issued at par value, maturing after 36 months (*)	VND	2024	2,000,000,000,000	-	2,000,000,000,000	-
Bonds issued at par value, maturing after 36 months (**)	VND	2024	3,000,000,000,000	-	3,000,000,000,000	-
Bonds issued at par value, maturing after 60 months (***)	VND	2026	-	5,000,000,000,000	-	5,000,000,000,000
Bonds issued at par value, maturing after 60 months (****)	VND	2028	-	6,000,000,000,000	-	6,000,000,000,000
Bonds issued at par value, maturing after 60 months (*****)	VND	2028	-	3,000,000,000,000	-	3,000,000,000,000
Bonds issued at par value, maturing after 60 months (*****)	VND	2029	-	1,300,000,000,000	-	-
			5,000,000,000,000	15,300,000,000,000	5,000,000,000,000	14,000,000,000,000

(*) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 9.5% per annum for the first 2 semi-annual periods from the date of issuance, and a floating interest rate equal to 3% per annum plus the average interest rates of the 12-month corporate deposits in VND in the following semi-annual periods until the maturity date.

(**) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 9.5% per annum for the first 2 semi-annual periods from the date of issuance, and a floating interest rate equal to 3.5% per annum plus the average interest rates of the 12-month individual deposits in VND in the following semi-annual periods until the maturity date.

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20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(b) Long-term (continued)

(v) Straight bonds (continued)

- (***) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 9.5% per annum for the first 2 semi-annual periods from the date of issuance, and a floating interest rate equal to 3.5% per annum plus the average interest rates of the 12-month corporate deposits in VND in the following semi-annual periods until the maturity date.
- (****) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 12% per annum for the first 2 semi-annual periods from the date of issuance, and a floating interest rate equal to 3.5% per annum plus the average interest rates of the 12-month individual deposits in VND in the following semi-annual periods until the maturity date.
- (*****) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 10.5% until the maturity date.
- (*****) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 10.5% per annum for the first 4 semi-annual periods from the date of issuance, and a floating interest rate equal to 3.5% per annum plus the average interest rates of the 13-month individual deposits in VND but not lower than the interest rate of 10.5% in the following semi-annual periods until the maturity date.

(vi) Finance lease liabilities

Details of finance lease liabilities are as follows:

	As at 30 June 2024		
	Principal VND	Lease interest expense VND	Total VND
Under 1 year	318,210,093,621	403,490,297,063	721,700,390,684
From 1 to 5 years	1,273,248,542,214	1,257,607,583,402	2,530,856,125,616
Over 5 years	2,158,959,828,077	718,674,097,075	2,877,633,925,152
	<u>3,750,418,463,912</u>	<u>2,379,771,977,540</u>	<u>6,130,190,441,452</u>

As at 30 June 2024, the balance of financial lease liabilities includes leases of aircraft with Wilmington Trust SP Services (Dublin) Limited.

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20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(b) Long-term (continued)

(vi) Finance lease liabilities (continued)

Detailed of financial lease contracts are as follows:

Contract	Type	Principal debt As at 30 June 2024 VND	Term
VP/#62719953.3 15 September 2023	Financial lease	1,244,247,453,338	120 months from the delivery of aircraft
VP/#62719971.3 15 September 2023	Financial lease	1,244,248,157,026	120 months from the delivery of aircraft
VP/#62720020.3 15 September 2023	Financial lease	1,261,922,853,548	120 months from the delivery of aircraft
		<u>3,750,418,463,912</u>	
Current portion of long-term finance lease		<u>(318,210,093,621)</u>	
		<u>3,432,208,370,291</u>	

As at 30 June 2024, the balance of foreign currency-denominated financial lease liabilities is USD147,231,126 (as at 31 December 2023: USD153,476,666).

21 PROVISION FOR LIABILITIES

Movements of provision for liabilities during the period/year are as follows:

	Provision for maintenance expenses VND	Provision to make good on leased assets VND	Total VND
As at 1 January 2023	12,868,906,445,239	1,231,940,405,974	14,100,846,851,213
Provision made during the year	4,334,205,398,116	271,529,172,023	4,605,734,570,139
Utilised of provision	(492,188,388,132)	-	(492,188,388,132)
As at 31 December 2023	<u>16,710,923,455,223</u>	<u>1,503,469,577,997</u>	<u>18,214,393,033,220</u>
Provision made during the period	1,453,806,810,980	78,430,610,645	1,532,237,421,625
Utilised of provision	(318,857,430,808)	(22,123,699,067)	(340,981,129,875)
As at 30 June 2024	<u>17,845,872,835,395</u>	<u>1,559,776,489,575</u>	<u>19,405,649,324,970</u>
Short-term	1,630,467,438,927	-	1,630,467,438,927
Long-term	16,215,405,396,468	1,559,776,489,575	17,775,181,886,043
	<u>17,845,872,835,395</u>	<u>1,559,776,489,575</u>	<u>19,405,649,324,970</u>

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22 BONUS AND WELFARE FUND

Movements of Bonus and welfare fund during the period/year are as follows:

	30.6.2024 VND	31.12.2023 VND
Beginning of period/year	5,489,738,949	146,291,785,064
Increase from other contribution	2,005,854,846	-
Utilization of the fund	(130,000,000)	(140,802,046,115)
End of period/year	<u>7,365,593,795</u>	<u>5,489,738,949</u>

23 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority and same taxable unit. The details were as follows:

	30.6.2024 VND	31.12.2023 VND
Deferred tax assets:		
Deferred tax assets to be recovered after more than 12 months	3,842,484,407,612	3,777,048,834,990
Deferred tax assets to be recovered within 12 months	438,901,903,152	641,740,225,218
	<u>4,281,386,310,764</u>	<u>4,418,789,060,208</u>
Deferred tax liabilities:		
Deferred tax liabilities to be settled after more than 12 months	(3,680,626,771,102)	(3,855,840,327,792)
Deferred tax liabilities to be settled within 12 months	(918,755,755,352)	(530,151,091,639)
	<u>(4,599,382,526,454)</u>	<u>(4,385,991,419,431)</u>
Net-off	<u>4,281,386,310,764</u>	<u>4,418,789,060,208</u>
Net deferred income tax liabilities/deferred income tax assets	<u>(317,996,215,690)</u>	<u>32,797,640,777</u>

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23 DEFERRED INCOME TAX (continued)

Movements in the deferred income tax, taking into consideration the offsetting of balances within the same tax jurisdiction, during the period/year are as follows:

	For the six-month period ended 30.6.2024 VND	For the year ended 31.12.2023 VND
Beginning of period/year	32,797,640,777	404,270,547,790
Foreign exchange differences	(187,161,615,491)	-
Consolidated interim income statement charge (Note 36)	(163,632,240,976)	(371,472,907,013)
End of period/year	<u>(317,996,215,690)</u>	<u>32,797,640,777</u>

The Company uses tax rate of 20% for the six-month period ended 30 June 2024 (for the year ended 31 December 2023: 20%) to determine deferred income tax assets and deferred income tax liabilities.

Details of deferred income tax assets and deferred income tax liabilities are as below:

	30.6.2024 VND	31.12.2023 VND
Details of deferred tax assets		
Provision for maintenance expenses	3,569,174,567,079	3,342,184,691,044
Tax losses carried forward	216,423,230,418	666,620,453,565
Provision to make good on leased assets	311,955,297,915	300,693,915,599
Provision for diminution in the financial investments	91,750,000,000	109,290,000,000
Other accrued expenses	17,302,727,367	-
Provision for doubtful debts	74,780,487,985	-
	<u>4,281,386,310,764</u>	<u>4,418,789,060,208</u>
	30.6.2024 VND	31.12.2023 VND
Details of deferred tax liabilities		
Maintenance reserves	(2,291,320,881,009)	(2,588,720,261,291)
Maintenance costs of leased aircraft	(1,179,675,390,963)	(1,272,197,865,146)
Deferred aircraft lease expenses	(332,081,936,621)	(175,014,381,829)
Revaluation of foreign currencies at period/year-end	(479,519,777,527)	(150,093,490,856)
Costs to make good on leased assets	(129,622,924,843)	(136,213,216,681)
Foreign exchange differences	(187,161,615,491)	(63,752,203,628)
	<u>(4,599,382,526,454)</u>	<u>(4,385,991,419,431)</u>
	<u>(317,996,215,690)</u>	<u>32,797,640,777</u>

23 DEFERRED INCOME TAX (continued)

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The Group's tax losses can be carried forward to offset against future taxable profits for a maximum period of no more than five consecutive years from the year right after the year in which the loss was incurred. The actual amount of tax losses that can be carried forward is subject to review and approval of the tax authorities and may be different from the figures presented in the consolidated interim financial statements. The estimated amount of tax losses available for offset against the Group's future taxable profits is:

Year of tax loss	Status of tax authorities' review	Loss incurred VND	Loss utilised VND	Loss carried forward VND
2020	Outstanding	2,414,670,803,135	(2,414,670,803,135)	-
2022	Outstanding	3,051,323,296,483	(1,969,207,144,392)	1,082,116,152,091

According to Decree 132/2020/ND-CP issued by the Government on 5 November 2020, interest expenses exceeding 30% of the total net profit from business activities during the period plus interest expenses after deducting deposit interest and lending interest plus depreciation expenses incurred during the period (EBITDA) will not be deductible when calculating the current business income tax. These excess interest expenses can be carried forward to subsequent tax periods within 5 years to offset taxable income if the total deductible interest expenses of the subsequent tax periods are below the limit specified in this Decree. The Group has not recognised deferred income tax assets related to these excess interest expenses due to the Group's ability to have deductible interest expenses in subsequent tax periods below the specified limit to offset these excess interest expenses cannot be assessed as probable. As at 30 June 2024, the excess interest expenses which can be carried forwards to the next subsequent tax period is VND2,724,823,168,025 (as at 31 December 2023: VND2,458,517,910,016).

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24 OWNERS' CAPITAL
(a) Number of shares

	As at 30.6.2024		As at 31.12.2023	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	541,611,334	-	541,611,334	-
Number of shares issued	541,611,334	-	541,611,334	-
Number of existing shares in circulation	541,611,334	-	541,611,334	-

(b) Details of owners shareholding

	As at 30.6.2024		As at 31.12.2023	
	Ordinary shares	%	Ordinary shares	%
Domestic shareholders	452,325,192	83.51	446,782,129	82.54
Foreign shareholders	89,286,142	16.49	94,829,205	17.46
Number of shares	541,611,334	100	541,611,334	100

(c) Movement of share capital

	Number of shares	Ordinary shares VND
As at 1 January 2023 and as at 31 December 2023 and as at 30 June 2024	541,611,334	5,416,113,340,000

Par value per share: VND10,000.

Each share is entitled to one vote at the Shareholders' meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Group's residual assets. In respect of shares bought back by the Group, all rights are suspended until those shares are reissued.

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

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25 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Foreign exchange difference VND	Post-tax undistributed earnings VND	Non- controlling interests VND	Total VND
As at 1 January 2023	5,416,113,340,000	247,483,117,899	195,328,953,538	9,018,933,578,880	20,435,833,167	14,898,294,823,484
Net profit for the year	-	-	-	230,590,889,181	822,526,170	231,413,415,351
Foreign currency conversion differences for overseas activities	-	-	123,432,064,600	-	-	123,432,064,600
As at 31 December 2023	5,416,113,340,000	247,483,117,899	318,761,018,138	9,249,524,468,061	21,258,359,337	15,253,140,303,435
Net profit for the period	-	-	-	830,825,785,091	3,642,101,119	834,467,886,210
Foreign currency conversion differences for overseas activities	-	-	430,073,693,789	-	-	430,073,693,789
As at 30 June 2024	5,416,113,340,000	247,483,117,899	748,834,711,927	10,080,350,253,152	24,900,460,456	16,517,681,883,434

26 DIVIDEND PAYABLE

As at 30 June 2024 and 31 December 2023, the balance of dividends payable to shareholders is VND57 billion.

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27 EARNINGS PER SHARE
(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the period, excluding ordinary shares repurchased by the Company and held as treasury shares. Details are as follows:

	For the six-month period ended	
	30.6.2024	30.6.2023
Net profit attributable to shareholders (VND)	830,825,785,091	135,118,883,647
Weighted average number of ordinary shares in issue (shares)	541,611,334	541,611,334
Basic earnings per share (VND)	1,534	249

(b) Diluted earnings per share

The Company did not have any ordinary shares potentially diluted earnings per share during the period and up to the approval date of these consolidated interim financial statements.

28 OFF CONSOLIDATED INTERIM BALANCE SHEET ITEMS
(a) Foreign currencies

	30.6.2024	31.12.2023
USD	13,732,349	20,432,367
SGD	139,158	200,547
MYR	1,135,970	1,135,970
KRW	2,439,441,776	4,400,704,971
JPY	150,651,819	40,239,376
EUR	190,328	41,730
TWD	267,300	267,300
HKD	70,615	713,933
GBP	1,655	1,655
IDR	6,354,672,511	113,645,890
THB	75,314	3,223,522
CNY	6,271,270	212,308
INR	238,157,318	141,158,821
MMK	2,864,650	2,864,650
AUD	2,703,299	4,368,771

(b) Operating lease assets

The future minimum lease receipts under non-cancellable operating leases were presented in Note 41(a)(ii).

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29 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	For the six-month period ended	
	30.6.2024	30.6.2023
	VND	VND
Passenger and cargo transportation revenue:		
- Domestic passenger transportation	7,980,945,067,650	5,925,425,714,224
- International passenger transportation including regular charter flights	11,076,126,872,215	6,890,980,311,948
- Ancillary and cargo transportation revenue	11,547,203,021,929	9,965,492,778,780
	<u>30,604,274,961,794</u>	<u>22,781,898,804,952</u>
Revenue from sales of aircraft	1,488,300,000,000	4,307,637,000,000
Aircraft dry leases (Note 40(a)(i))	930,884,349,532	829,347,304,477
Revenue from sales of aircraft engines	509,480,000,000	1,219,000,000,000
Revenue from sales of purchase right option (Note 40(a)(ii))	279,086,500,000	-
Others	217,918,029,923	365,272,371,900
	<u>34,029,943,841,249</u>	<u>29,503,155,481,329</u>

30 COST OF GOODS SOLD AND SERVICES RENDERED

	For the six-month period ended	
	30.6.2024	30.6.2023
	VND	VND
Flight operation expenses	21,260,844,737,808	16,977,939,743,079
Technical expenses	3,551,995,892,662	2,787,644,098,194
Ground operation expenses	2,980,947,011,334	1,971,745,710,496
Cost of aircraft sold	1,463,217,154,150	4,207,147,615,491
Cost of aircraft engines sold	302,783,709,260	1,209,264,000,000
Safety, security, quality and assurance expenses	286,582,800,581	232,005,552,963
Cargo expenses	154,344,476,660	153,441,244,579
Others	275,265,935,349	185,229,898,420
	<u>30,275,981,717,804</u>	<u>27,724,417,863,222</u>

VIETJET AVIATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES
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31 FINANCIAL INCOME

	For the six-month period ended	
	30.6.2024	30.6.2023
	VND	VND
Realised foreign exchange gains	327,003,582,938	423,476,771,886
Net gain from foreign currency translation at period-end	293,091,398,712	-
Interest income from deposits and lendings	350,454,227,110	200,670,253,780
Profits shared from BCC	98,125,642,061	-
Interest income from late payment	78,778,440,000	78,778,440,000
	<u>1,147,453,290,821</u>	<u>702,925,465,666</u>

32 FINANCIAL EXPENSES

	For the six-month period ended	
	30.6.2024	30.6.2023
	VND	VND
Interest expense and finance lease interest expense	1,429,148,502,358	769,153,377,725
Realised foreign exchange losses	314,594,196,095	78,430,548,914
Late payment interest expenses	276,768,021,347	-
Bond issuance costs	46,179,272,519	-
Net loss from foreign currency translation at period-end	-	131,791,177,002
Reversal of provision for diminution in value of investments	(87,700,000,000)	(19,100,000,000)
Others	45,016,952,021	77,717,353,941
	<u>2,024,006,944,340</u>	<u>1,037,992,457,582</u>

33 SELLING EXPENSES

	For the six-month period ended	
	30.6.2024	30.6.2023
	VND	VND
Advertising and marketing	524,838,797,532	296,759,578,163
External services	506,407,770,604	345,291,795,609
Commission fee	106,439,449,113	92,332,824,890
Staff costs	95,568,137,163	78,961,801,793
Depreciation and amortisation	1,774,505,290	1,600,266,701
Others	22,324,483,357	18,679,348,111
	<u>1,257,353,143,059</u>	<u>833,625,615,267</u>

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34 GENERAL AND ADMINISTRATION EXPENSES

	For the six-month period ended	
	30.6.2024	30.6.2023
	VND	VND
Provision for doubtful debts	373,902,439,925	-
External services	263,126,917,053	255,697,913,792
Staff costs	103,209,035,556	94,920,256,505
Depreciation and amortisation	1,933,509,032	1,352,996,389
Others	116,170,443,176	43,205,325,580
	<u>858,342,344,742</u>	<u>395,176,492,266</u>

35 NET OTHER INCOME AND OTHER EXPENSES

	For the six-month period ended	
	30.6.2024	30.6.2023
	VND	VND
Other income		
Income from non-refundable airport fee	186,624,468,835	-
Compensations received	29,589,383,688	-
Support from aircraft's suppliers	12,571,968,460	-
Others	33,970,176,803	48,835,269,599
	<u>262,755,997,786</u>	<u>48,835,269,599</u>
Other expenses		
Others	<u>24,060,527,049</u>	<u>17,506,998,085</u>

36 CORPORATE INCOME TAX ("CIT")

The Group has an obligation to pay the CIT at the applicable tax rate of 20% of taxable profits, except for the following companies:

Company incorporated in British Virgin Islands

Vietjet Air IVB No. I Limited, Vietjet Air IVB No. II Limited

Income or profits generated in the British Virgin Islands are non-taxable.

Company incorporated in Cayman Islands

Skymate Limited

Income or profits generated in the Cayman Islands are non-taxable.

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36 CORPORATE INCOME TAX (“CIT”) (continued)

Company incorporated in Singapore

Vietjet Air Singapore Pte. Ltd.

Vietjet Air Singapore Pte. Ltd. has an obligation to pay CIT at the rate of 17% of taxable profits.

Company incorporated in Ireland

Vietjet Air Ireland No. 1 Limited

Vietjet Air Ireland No. 1 Limited has an obligation to pay CIT at the rate of 25% of taxable profits.

The CIT on the Group’s accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	For the six-month period ended	
	30.6.2024	30.6.2023
	VND	VND
Accounting profit before tax	1,000,408,452,862	246,196,790,172
Tax calculated at a rate of 20%	200,081,690,572	49,239,358,034
Effect of:		
Expenses not deductible for tax purposes	53,261,051,602	70,915,023,750
Effect of difference tax rates applied for subsidiaries	(87,402,175,522)	(10,512,174,903)
CIT charge (*)	165,940,566,652	109,642,206,881
Charged to the consolidated interim income statement:		
CIT – current	2,308,325,676	2,338,164,511
CIT – deferred (Note 23)	163,632,240,976	107,304,042,370
CIT charge	165,940,566,652	109,642,206,881

(*) The CIT charge for the six-month period is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

36 CORPORATE INCOME TAX ("CIT") (continued)**The global minimum tax**

On 29 November 2023, the National Assembly of Vietnam passed Resolution No. 107/2023/QH15 ("Resolution 107") on the application of Qualified Domestic Minimum Top-up Tax ("QDMTT") rule and Income Inclusion Rule ("IIR"). These rules align with the Pillar Two of the Global Anti-Base Erosion Model Rules ("BESP 2.0") of the OECD and will be effective from 1 January 2024 (hereinafter referred to as the "Global Minimum Tax Regulations"). The Resolution mandates that large multinational corporations are required to pay a minimum global corporate income tax rate of 15% on profits earned in the jurisdictions where they operate. The Group is within the scope of Resolution 107 and this new tax rule requires the calculation of the effective tax rate on a jurisdictional basis and the execution of top-up tax payments when the effective tax rate falls below the minimum threshold. This change will impact the calculation and accounting for corporate income tax obligation, including the current corporate income tax, deferred tax assets, and deferred tax liabilities.

Although Resolution 107 has been effective from 1 January 2024, and applies to the fiscal year 2024, the Decree detailing the implementation of Resolution 107 is still being drafted and has not been issued yet and that the Group is still in the process to determine the constituent entities and estimate the additional income tax obligations in Vietnam. Therefore, the Group has not been able to determine the additional corporate income tax obligations under the Global Minimum Tax Regulations for the accounting period then ended 30 June 2024. The Group will recognise the additional corporate income tax obligations (if any) when the Group completes its impact assessment or when there is additional guidance by the tax authorities.

37 COSTS OF OPERATION BY FACTOR

Costs of operation by factor represent all costs incurred during the period from the Group's operating activities, excluding cost of merchandise for trading activities. Details are as follows:

	For the six-month period ended	
	30.6.2024	30.6.2023
	VND	VND
Fuel costs	12,425,719,019,411	9,613,939,054,912
Rental fee	6,132,846,959,497	5,116,497,938,359
Staff costs	2,529,378,540,041	2,161,692,823,118
Provision for doubtful debts	373,902,439,925	-
Depreciation and amortisation	341,342,768,186	193,687,946,700
External service and other expenses	8,822,486,615,135	6,450,990,592,175
	<u>30,625,676,342,195</u>	<u>23,536,808,355,264</u>

38 SEGMENT REPORTING**(a) Business segments**

For management purpose, the Group has one reportable business segment which is providing passenger and cargo transportation services, ancillary services, aircraft leasing and in-flight advertising (referred to as "aviation services").

Except as indicated above, the Group has no other business segments being aggregated to form a reportable business segment. Accordingly, the financial information presented on the consolidated interim balance sheet as at 30 June 2024 and all revenues and expenses presented on the consolidated interim income statement for the six-month period then ended mainly related to the above mentioned main business activities.

(b) Geographical segments

The Group's main business activities are to provide passenger and cargo transportation services, ancillary services, aircraft rental and on-board advertising (collectively referred to as "aviation services"). These activities took place in Vietnam and countries around the world. During the period ended 30 June 2024, the Group had no revenue in countries other than Vietnam which accounting for more than 10% of the total revenue, accordingly, the Group did not prepare geographical segments.

39 ADDITIONAL INFORMATION ON CERTAIN ITEMS OF THE CONSOLIDATED INTERIM CASH FLOW STATEMENT

Non-cash transactions affecting the consolidated interim cash flow statement:

	For the six-month period ended	
	30.6.2024 VND	30.6.2023 VND
Purchase fixed asset through finance lease transaction	-	366,890,044,815
Net-off receivables from disposal fixed asset with payables to purchase fixed asset	-	212,691,190,810

40 RELATED PARTY DISCLOSURES

The Company is a joint stock company. Details of subsidiaries and associates are given in Note 1.

During the period, in addition to transactions with associates as presented in Note 1, the Group has transactions and balances with main related parties, which are the companies that have mutual management personnel or affiliates of the group of major shareholders, as follows:

- Sovico Holdings Joint Stock Company
- Sovico Group Joint Stock Company
- Ho Chi Minh City Development Joint Stock Commercial Bank ("HDBank")
- HD SAISON Finance Co., Ltd;
- HD Insurance Company Limited ("HD Insurance")
- GalaxyOne Company Limited
- Victoria Academy Company Limited
- Saigon Ground Services Joint Stock Company
- Angelica Holding Limited
- Apricot Holding Limited
- Apricot Aircraft Assets Limited
- Angelica Aircraft Assets Limited
- Apricot Aircraft Company (Ireland)
- Apricot Aircraft Company (Ireland) 8577 Limited
- Apricot Aircraft Company (Ireland) 8592 Limited
- Apricot Aircraft Company (Ireland) 8605 Limited
- Apricot Aircraft Company (Ireland) 8670 Limited
- Apricot Aircraft Company (Ireland) 8676 Limited
- Apricot Aircraft Assets No.1 Limited
- AAA Aircraft Company Limited
- AAA Golden Aircraft Star No.1 Limited
- AAA Golden Aircraft Star No.2 Limited
- AAA Golden Aircraft Star No.3 Limited
- AAA Golden Aircraft Star No.4 Limited
- AAA Golden Aircraft Star No.5 Limited
- AAA Aircraft Asset Company Limited

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40 RELATED PARTY DISCLOSURES (continued)
(a) Related party transactions

During the period, the following major transactions were carried out with related parties:

		For the six-month period ended 30 June	
		2024	2023
		VND	VND
i) Revenue from aircraft dry lease (Note 29)			
Thai Vietjet Air Joint Stock Co., Ltd	691,225,133,936	631,573,411,796	
AAA Golden Aircraft Star No.5 Limited	239,659,215,596	197,773,892,681	
	<u>930,884,349,532</u>	<u>829,347,304,477</u>	
ii) Revenue from transfer of aircraft purchase right option			
Angelica Holding Limited	279,086,500,000	-	
iii) Revenue from other services			
Thai Vietjet Air Joint Stock Co., Ltd.	44,555,755,257	123,379,938,022	
Victoria Academy Company Limited	13,249,043,907	18,929,582,764	
HD Insurance	1,903,806,868	52,721,888,969	
Others	5,454,778,031	-	
	<u>65,163,384,063</u>	<u>195,031,409,755</u>	
iv) Aircraft/engines operating lease expenses			
AAA Golden Aircraft Star No.5 Limited	107,052,171,122	108,278,207,009	
Apricot Aircraft Assets No. 1 Limited	83,226,882,387	66,559,247,078	
Apricot Aircraft Company (Ireland) 8676 Limited	80,478,991,753	42,321,519,418	
AAA Golden Aircraft Star No. 4 Limited	73,760,218,123	65,786,947,200	
Apricot Aircraft Company (Ireland) 8605 Limited	73,469,453,380	63,439,795,790	
Apricot Aircraft Company (Ireland) 8670 Limited	71,994,886,454	117,107,126,861	
AAA Golden Aircraft Star No. 3 Limited	71,622,677,327	66,197,774,019	
Angelica Holding Limited	33,329,452,000	-	
Victoria Academy Company Limited	23,448,000,000	23,177,496,774	
	<u>618,382,732,546</u>	<u>552,868,114,149</u>	
v) Purchase of services			
Sai Gon Ground Services Joint Stock Company	219,493,569,806	176,631,334,250	
HD Insurance	87,791,751,000	70,215,586,862	
Others	10,029,617,949	11,095,417,604	
	<u>317,314,938,755</u>	<u>257,942,338,716</u>	

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40 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

		For the six-month period ended 30 June	
		2024	2023
		VND	VND
vi)	Receipts on behalf of the Company, net cashflows		
	Thai Vietjet Air Joint Stock Co., Ltd.	1,691,021,677,996	1,349,804,864,044
vii)	Receipts on behalf by the Company, net cashflows		
	Thai Vietjet Air Joint Stock Co., Ltd.	1,688,524,568,861	1,134,664,076,650
viii)	Financing activities		
	Interest income		
	Thai Vietjet Air Joint Stock Co., Ltd.	209,768,263,092	123,099,514,699
	HDBank	4,609,279,284	2,964,383,562
	Others	14,867,254,250	14,487,846,900
		229,244,796,626	140,551,745,161
	Interest expense		
	HDBank	110,136,742,675	127,181,455,211
	Victoria Academy Company Limited	1,115,753,425	1,109,589,041
		111,252,496,100	128,291,044,252
	Proceeds from borrowings		
	HDBank	18,604,777,508,219	8,736,438,082,625
	Repayment of borrowings		
	HDBank	(18,624,203,783,365)	(8,367,733,585,356)
	Term deposits and certificate of deposits with HDBank		
	Placements	1,058,340,212,322	100,000,000,000
	Collections	2,258,340,212,322	(100,000,000,000)
ix)	Investment activities		
	Sales of engines		
	Apricot Holding Limited	-	612,014,000,000

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40 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	For the six-month period ended 30 June	
	2024 VND	2023 VND
ix) Investment activities (continued)		
<i>Purchase of engines</i>		
Angelica Holding Limited	-	1,206,138,360,000
Apricot Holding Limited	627,283,800,000	-
	<u>627,283,800,000</u>	<u>1,206,138,360,000</u>

x) Compensation of key management

Remuneration of the Board of Directors

Ms. Nguyen Thi Phuong Thao (*)	614,100,000	519,590,812
Ms. Nguyen Thanh Ha	547,433,334	484,000,000
Mr. Nguyen Anh Tuan	545,333,334	404,000,000
Mr. Donal Joshep Boylan	-	-
Mr. Nguyen Thanh Hung	478,666,668	381,332,468
Mr. Dinh Viet Phuong	521,571,426	352,000,002
Ms. Ho Ngoc Yen Phuong	521,571,426	-
Mr. Luu Duc Khanh	478,666,668	373,857,142
Mr. Chu Viet Cuong	478,666,668	373,857,142

Salaries, bonuses and other cash payments of the Board of Management

General Director	964,500,000	738,443,750
Deputy General Directors	2,827,080,000	2,161,800,000
	<u>7,977,589,524</u>	<u>5,788,881,316</u>

(*) Chairperson - Nguyen Thi Phuong Thao used her remuneration to recognise high performing and working creatively employees from Quarter 2 of financial year 2023.



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(b) Period/year end balances with related parties

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40 RELATED PARTY DISCLOSURES (continued)
(b) Period/year end balances with related parties (continued)
Other short-term receivables (Note 8(a))

Thai Vietjet Air Joint Stock Co., Ltd. (i)	3,453,812,046,747	3,185,158,270,224
Angelica Holding Limited	-	470,145,000,000
Others	304,077,946,011	333,192,721,095
	<u>3,757,889,992,758</u>	<u>3,988,495,991,319</u>

- (i) As at 30 June 2024 and 31 December 2023, the short-term trade accounts receivable balance and other short-term receivables balance due from Thai Vietjet Air Joint Stock Co., Ltd. ("Thai Vietjet") are overdue. However, the Board of Management of the Group assesses that these receivables are collectible since Thai Vietjet is a strategic partner and associate of the Group. According to the assessment of Thai Vietjet's management, the business of Thai Vietjet in the three recent years continually grew and continued to grow in first 6 months of 2024. Thai Vietjet has engaged a consulting firm to perform the valuation of Thai Vietjet as well as advise on debt restructuring and the structure of shareholder ownership for the period from 2024 to 2027. With these plans and the result of valuation, Thai Vietjet will be able to settle all these receivables due to the Group. In addition, according to the share agreement between Thai Vietjet shareholders, the Group has the right to purchase additional shares of Thai Vietjet from another shareholder and this purchase right option has a maturity date at the end of September 2024. As of the date of approval of these consolidated interim financial statements, the Group has not exercised the purchase right option of the shares.

Other long-term receivables (Note 8(b))

Angelica Holding Limited	414,900,000,000	414,900,000,000
Apricot Aircraft Company (Ireland)	248,848,055,893	157,134,443,567
AAA Golden Aircraft Star No.5 Limited	182,203,743,003	151,444,287,585
Others	62,696,100,500	60,039,058,500
	<u>908,647,899,396</u>	<u>783,517,789,652</u>

Short-term trade accounts payable (Note 13)

AAA Golden Aircraft Star No.1 Limited	154,422,904,588	148,100,010,170
HD Insurance	145,471,261,203	126,836,732,472
AAA Golden Aircraft Star No.2 Limited	122,425,853,057	59,023,726,744
Apricot Aircraft Company (Ireland) 8670 Limited	-	142,531,956,898
Apricot Aircraft Company (Ireland) 8577 Limited	-	123,801,280,094
AAA Aircraft Company Limited	-	117,264,000,980
Others	339,371,670,321	211,008,837,831
	<u>761,691,689,169</u>	<u>928,566,545,189</u>

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40 RELATED PARTY DISCLOSURES (continued)

(b) Period-end/year-end balances with related parties (continued)

	30.6.2024 VND	31.12.2023 VND
Short-term advances from customers (Note 14)		
Victoria Academy Company Limited	5,845,638,606	8,251,623,411
Others	42,732,569	7,852,147,128
	<u>5,888,371,175</u>	<u>16,103,770,539</u>
Short-term accrued expenses		
Sai Gon Ground Services Joint Stock Company	36,264,912,200	38,653,515,550
HD Insurance	29,000,000,000	-
Galaxy Pay Company Limited	14,460,635,824	2,803,962,343
HDBank	3,433,613,018	-
Victoria Academy Company Limited	1,115,753,425	5,288,516,129
Cam Ranh International Terminal Joint Stock Company	-	15,662,039,827
	<u>84,274,914,467</u>	<u>62,408,033,849</u>
Other short-term payables (Note 19(a))		
Angelica Holding Limited	342,573,691,446	324,243,383,221
Angelica Aircraft Assets Limited	636,825,000	9,161,250,000
Others	18,337,155,310	19,614,997,247
	<u>361,547,671,756</u>	<u>353,019,630,468</u>
Other long-term payables (Note 19(b))		
Thai Vietjet Air Joint Stock Co., Ltd.	313,617,497,123	-
AAA Golden Aircraft Star No.5 Limited	77,743,918,236	-
	<u>391,361,415,359</u>	<u>-</u>
Short-term borrowings (Note 20(a))		
HDBank	3,294,129,211,567	3,300,425,512,901
Victoria Academy Company Limited	45,000,000,000	45,000,000,000
	<u>3,339,129,211,567</u>	<u>3,345,425,512,901</u>

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41 COMMITMENTS
(a) Commitments under operating leases
(i) The Group as a lessee

The Group signs operating lease agreements, the expected future lease payments, according to terms in these agreements, are as follows:

	30.6.2024 VND	31.12.2023 VND
Within one year	11,497,650,083,346	11,945,303,131,663
Between one and five years	37,129,702,686,135	37,918,480,322,958
Over five years	14,796,956,137,837	17,508,071,356,284
Total minimum payments	<u>63,424,308,907,318</u>	<u>67,371,854,810,905</u>

(ii) The Group as a lessor

The Group signs operating lease agreements, the expected future lease receipts, according to terms in these agreements, are as follows:

	30.6.2024 VND	31.12.2023 VND
Within one year	1,425,481,867,489	1,366,092,001,156
Between one and five years	2,786,620,284,301	3,228,108,669,017
Over five years	344,800,329,091	488,961,814,672
Total minimum receipts	<u>4,556,902,480,881</u>	<u>5,083,162,484,845</u>

(b) Other commitments

	30.6.2024 VND	31.12.2023 VND
Within one year		
Deposit for aircraft purchases	1,037,002,179,590	2,777,422,134,990
Purchase back leased aircraft	183,806,300,887	184,337,634,044
BCC	33,439,600,000	33,439,600,000
Between one and five years		
Deposit for aircraft purchases	50,367,144,438,047	32,741,518,421,083
Purchase back leased aircraft	202,452,913,558	249,981,991,704
Over five years		
Deposit for aircraft purchases	5,024,083,544,957	2,373,673,274,735
	<u>56,847,928,977,039</u>	<u>38,360,373,056,556</u>

42 PROVISION FOR DOUBTFUL DEBTS - SHORT-TERM

This balance relates to the provision for doubtful debts from third parties.

43 AIRCRAFT COMMERCIAL DISPUTES

In 2021, while Vietnam and the world were facing the emergency of the COVID-19 pandemic, the Group encountered a commercial dispute related to four (4) leased aircraft under the JOLCO (Japanese Operating Lease with Call Option). The JOLCO structure involves the Group, Japanese Investors, and Banks. The Banks in the 4 (four) JOLCO aircraft transactions sold the debt to an Organization (hereinafter referred to as the "Organization") established in 2021. After acquiring the debt, this Organization (hereinafter referred to as the "Plaintiff") filed a lawsuit against the Group, seeking the aircraft rental fees and compensation claims, as the Plaintiff alleged that the Group had failed to timely make the aircraft rental fees. The dispute was heard by the English Commercial Court ("the Court"), (part of the High Court of Justice Business and Property Courts of England and Wales, King's Bench Division) in 2022. Consequently, the Group officially signed the handover minutes and related documents of these 4 aircraft with the Plaintiff on 15 December 2022.

The Court concluded the first trial and issued the Approved Judgment on 31 July 2024 (the "Judgement"). The conclusion recognized that (1) the Plaintiff's claims succeed, and (2) the compensation would be considered separately. The Court encouraged both parties to make every effort to reach an agreement on the compensation following this Judgment. If the parties are unable to reach an agreement, the matter will be addressed in a subsequent trial. Subsequent to the Approved Judgment, the Court issued an Order on 31 July 2024, requiring the Group to pay the aircraft rental fees up to the date of the JOLCO termination notice and the swap break costs to the Plaintiff.

In a confirmation letter dated 4 September 2024, from the Group's lawyers regarding this commercial dispute, the lawyers' opinion is that the Plaintiff's claims, not addressed in the Court's Order, will be judged based on legal submissions and expert evidence at a hearing scheduled in October 2024 and at the quantum trial scheduled in January 2025. The Group has several grounds to appeal the 31 July 2024 Judgment. Accordingly, the Group has actively worked with lawyers to prepare for the appeal submission. Alongside efforts for the appeal process, the lawyers of both sides are in discussions to resolve the dispute through commercial negotiation.

The Group's Board of Management is confident in its ability to appeal and defend the Group's legitimate interests. To pursue long-term appellate objectives, the Group is working with lawyers to develop detailed appeal plans in compliance with English law.

The Group has recorded the aircraft rental expenses, reasonable related costs, and the swap break costs in the interim consolidated financial statements for the six-month period ended 30 June 2024. As part of this, the Group has paid USD11.3 million, which includes aircraft rental fees up to the date of the JOLCO termination notice and the swap break costs. As of the approval date of the interim consolidated financial statements, the Group's Board of Management assessed that the compensation amounts cannot be measured with sufficient reliability and therefore has not made provisions for these compensations in the interim consolidated financial statements for the six-month period ended 30 June 2024.

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The consolidated interim financial statements were approved by the Board of Management on 6 September 2024.

		
		
_____ Nguyen Thi Thanh Nga Chief Accountant/Preparer	_____ Ho Ngoc Yen Phuong Vice President cum Chief Finance Officer	_____ Dinh Viet Phuong Chief Executive Officer